



**OFFICE OF STATE TREASURER
YEAR ENDED JUNE 30, 2001**

**From The Office Of State Auditor
Claire McCaskill**

**Report No. 2002-36
May 13, 2002
www.auditor.state.mo.us**

AUDIT REPORT



Office Of The
State Auditor Of Missouri
Claire McCaskill

May 2002

The following findings were noted as a result of an audit conducted by our office of the Office of the State Treasurer.

The State Treasurer's Office (STO) expended over \$374,000 since March 1999 for two computer software systems. However, these systems were not implemented or utilized in a timely manner by the STO.

The STO contracted with a computer programming vendor in March 1999 to develop software to replace the database and reporting system for the Time Deposit and Linked Deposit system, an old system which was not Year 2000 compliant. The STO did not implement proper procedures to communicate program specifications or to monitor the development of the system to ensure the system would meet the needs of the STO. When the vendor failed to meet the completion deadline, the contract was terminated. Since September 2000, STO staff continued to periodically work on further development of the initial programming performed by the vendor to prepare the system for full implementation. The STO began using the new system in parallel with its old system in August 2001, and indicated it was fully operational as of December 1, 2001. Approximately 32 months elapsed between signing the contract and full operation of the system and the STO expended significantly more on the project than the original estimate.

Also, the STO purchased a bank reconciliation/deposit verification software package in April 2000, to automate portions of the reconciliation process for certain state bank accounts. While "collection" accounts have been reconciled for several months, as of January 2002, 21 months after purchase, the STO has still not fully implemented the use of this software for other accounts as originally planned.

The STO maintains the state's main operating bank accounts and tracks related outstanding paper checks. When paper checks have been outstanding for thirteen months, the checks are "outlawed" by the state, meaning the checks will no longer be honored by the bank. Any claims for those disbursements after that point are paid by reissuing a new check. The STO's procedures for outstanding checks do not include efforts to ensure long outstanding checks clear prior to their outlaw date.

The STO tracks a total of eight different series of checks, seven of which are used for payments of program benefits to recipients, income tax refunds to businesses and individuals, and state employee payroll disbursements. The eighth series (A-series checks) is used for payments to the state's vendors for normal costs of operating state government and program disbursements which are not covered by other check series.

(over)

YELLOW SHEET

Our review focused on the A-series checks since that series, other than the series used for personal income tax refunds, represented the largest group of checks being outlawed and the types of payments for which follow-up contacts would appear to be the most successful. During the year ended June 30, 2001, A-series checks totaling over \$2.1 million were outlawed.

During the audit period, there were no procedures in place to follow-up on long outstanding checks. The STO receives monthly reports from the bank listing outstanding checks, as well as checks to be outlawed during the next month. While these reports do not include payee information, that data can be obtained from the state's SAM II accounting system. However, none of this information is distributed to the state agencies that originally issued the checks. This information would allow the applicable agencies to identify payees that should be contacted regarding the status of the outstanding checks. The State Auditor's office analyzed the A-series outstanding checks, totaling approximately \$138,000, which were outlawed in August and September, 2001 (originally written in July and August, 2000). Of that amount, approximately \$86,000 (62 percent) was for 520 checks written to businesses and approximately \$19,000 (13 percent) was for 32 checks written to other governmental entities, including a few checks to other state agencies. Most of these payees have permanent addresses and should be easily located for follow-up.

All reports are available on our website: www.auditor.state.mo.us

OFFICE OF STATE TREASURER

TABLE OF CONTENTS

	<u>Page</u>
<u>FINANCIAL SECTION</u>	
State Auditor's Reports:	2-6
Financial Statements	3-4
Compliance and Internal Control over Financial Reporting	5-6
Financial Statements:	7-12
<u>Exhibit</u>	<u>Description</u>
A	<u>Central Check Mailing Service Revolving Fund</u> Comparative Balance Sheet, June 30, 2001 and 2000
	8
B	Comparative Statement of Revenues, Expenses, and Changes in Retained Earnings, Years Ended June 30, 2001 and 2000
	9
C	Comparative Statement of Cash Flows, Years Ended June 30, 2001 and 2000
	10
D	Comparative Statement of Receipts, Disbursements, and Changes in Cash and Investments, Abandoned Fund Account Fund and Treasurer's Information Fund, Years Ended June 30, 2001 and 2000
	11
E	Comparative Statement of Appropriations and Expenditures, Years Ended June 30, 2001 and 2000
	12
Supplementary Data:	13-32
<u>Schedule</u>	
1	<u>Central Check Mailing Service Revolving Fund</u> Comparative Statement of Revenues, Expenses, and Changes in Retained Earnings, Five Years Ended June 30, 2001
	14
2	Comparative Statement of Expenditures (From Appropriations), Years Ended June 30, 2001 and 2000
	15

OFFICE OF STATE TREASURER

TABLE OF CONTENTS

Page

FINANCIAL SECTION

Supplementary Data:

<u>Schedule</u>	<u>Description</u>	
3	Statement of Changes in General Fixed Assets, Year Ended June 30, 2001	16
4	Comparative Statement of Funds in Custody of State Treasurer, June 30, 2001, 2000, 1999, 1998, and 1997.....	17
5	Comparative Statement of "List of Balances in the Several Funds", June 30, 2001, 2000, 1999, 1998, and 1997.....	18-25
6	Comparative Statement of Trust Accounts, June 30, 2001, 2000, 1999, 1998, and 1997	26
7	Comparative Statement of Interest Received on Pooled Investments and Distribution by Fund, Five Years Ended June 30, 2001.....	27-31
8	Analysis of Investments - Appropriated Funds, Five Years Ended June 30, 2001.....	32
	Notes to the Financial Statements and Supplementary Data	33-41

MANAGEMENT ADVISORY REPORT SECTION

	Management Advisory Report - State Auditor's Findings.....	43-48
Number		
1.	Software Development and Utilization.....	44
2.	Management of Outstanding Checks	47
	Follow-up on Prior Audit Findings.....	49-50

OFFICE OF STATE TREASURER

TABLE OF CONTENTS

Page

STATISTICAL SECTION

History, Organization, and Statistical Information	52-55
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FINANCIAL SECTION

State Auditor's Reports



CLAIRE C. McCASKILL
Missouri State Auditor

**INDEPENDENT AUDITOR'S REPORT ON
THE FINANCIAL STATEMENTS**

Honorable Nancy Farmer, State Treasurer
Jefferson City, MO 65102

We have audited the accompanying special-purpose financial statements of the various funds of the Office of State Treasurer as of and for the years ended June 30, 2001 and 2000, as identified in the table of contents. These special-purpose financial statements are the responsibility of the office's management. Our responsibility is to express an opinion on these special-purpose financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the special-purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the special-purpose financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The accompanying special-purpose financial statements were prepared for the purpose of presenting the financial position, results of operations, and cash flows of the Central Check Mailing Service Revolving Fund; the receipts, disbursements, and changes in cash and investments of the Abandoned Fund Account Fund and the Treasurer's Information Fund; and the appropriations and expenditures of the various funds of the Office of State Treasurer. These special-purpose financial statements are not intended to be a complete presentation of the financial position and results of operations of the various funds of the office.

In our opinion, the special-purpose financial statements in Exhibits A through C present fairly, in all material respects, the financial position of the Central Check Mailing Service Revolving Fund as of June 30, 2001 and 2000, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the special-purpose financial statements in Exhibits D and E present fairly, in all material respects, the receipts, disbursements, and changes in cash and investments of the Abandoned Fund Account Fund and the Treasurer's Information Fund; and the appropriations and expenditures of the various funds of the Office of State Treasurer as of and for the years ended June 30, 2001 and 2000, in conformity with the comprehensive bases of accounting discussed in Note 1, which are bases of accounting other than accounting principles generally accepted in the United State of America.

In accordance with *Government Auditing Standards*, we also have issued our report dated January 25, 2002, on our consideration of the office's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the special-purpose financial statements, taken as a whole, that are referred to in the first paragraph. The accompanying financial information listed as supplementary data in the table of contents is presented for purposes of additional analysis and is not a required part of the special-purpose financial statements. Such information, except for that presented in Schedule 5 has been subjected to the auditing procedures applied in the audit of the special-purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the special-purpose financial statements taken as a whole. We did not audit the information presented in Schedule 5 and, accordingly, we express no opinion on it.

The accompanying History, Organization, and Statistical Information is presented for informational purposes. This information was obtained from the office's management and was not subjected to the auditing procedures applied in the audit of the special-purpose financial statements referred to above.



Claire McCaskill
State Auditor

January 25, 2002 (fieldwork completion date)

The following auditors participated in the preparation of this report:

Director of Audits:	Kenneth W. Kuster, CPA
Audit Manager:	Douglas J. Porting, CPA
In-Charge Auditor:	Gayle A. Garrison
Audit Staff:	Anissa Falconer
	Linda Cockrell
	Karla Carter



CLAIRE C. McCASKILL
Missouri State Auditor

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING**

Honorable Nancy Farmer, State Treasurer
Jefferson City, MO 65102

We have audited the special-purpose financial statements of the Office of State Treasurer as of and for the years ended June 30, 2001 and 2000, and have issued our report thereon dated January 25, 2002. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the special-purpose financial statements of the Office of State Treasurer are free of material misstatement, we performed tests of the office's compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit of the special-purpose financial statements of the Office of State Treasurer, we considered the office's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the special-purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the special-purpose financial statements being audited may occur and

not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information of the management of the Office of State Treasurer and other applicable government officials. However, this report is a matter of public record and its distribution is not limited.

A handwritten signature in black ink, reading "Claire McCaskill". The signature is fluid and cursive, with the first name "Claire" written in a larger, more prominent script than the last name "McCaskill".

Claire McCaskill
State Auditor

January 25, 2002 (fieldwork completion date)

Financial Statements

Exhibit A

OFFICE OF STATE TREASURER
CENTRAL CHECK MAILING SERVICE REVOLVING FUND
COMPARATIVE BALANCE SHEET

	June 30,	
	2001	2000
ASSETS		
Cash and investments	\$ 6,980	23,361
Accounts receivable	47,866	41,717
Prepaid postage	31,863	6,671
Equipment	17,300	17,300
Accumulated depreciation	(12,110)	(10,380)
Total Assets	<u>\$ 91,899</u>	<u>78,669</u>
LIABILITIES AND EQUITY		
Accounts payable	\$ 0	5,000
Total Liabilities	<u>0</u>	<u>5,000</u>
Equity:		
Contributed capital	50,000	50,000
Retained earnings - unreserved	41,899	23,669
Total Equity	<u>91,899</u>	<u>73,669</u>
Total Liabilities and Equity	<u>\$ 91,899</u>	<u>78,669</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit B

OFFICE OF STATE TREASURER
CENTRAL CHECK MAILING SERVICE REVOLVING FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN RETAINED EARNINGS

	Year Ended June 30,	
	2001	2000
OPERATING REVENUES		
Charges for services	\$ 169,621	155,672
Total Operating Revenues	<u>169,621</u>	<u>155,672</u>
OPERATING EXPENSES		
Postage	135,036	125,645
Office supplies	14,625	17,011
Depreciation	<u>1,730</u>	<u>1,730</u>
Total Operating Expenses	<u>151,391</u>	<u>144,386</u>
NET INCOME (LOSS)	18,230	11,286
RETAINED EARNINGS, JULY 1	<u>23,669</u>	<u>12,383</u>
RETAINED EARNINGS, JUNE 30	<u>\$ 41,899</u>	<u>23,669</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit C

OFFICE OF STATE TREASURER
CENTRAL CHECK MAILING SERVICE REVOLVING FUND
COMPARATIVE STATEMENT OF CASH FLOWS

	Year Ended June 30,	
	2001	2000
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	\$ 163,472	142,426
Cash paid for operations	(179,853)	(136,066)
NET CASH INCREASED (DECREASED) BY OPERATING ACTIVITIES	(16,381)	6,360
CASH, July 1	23,361	17,001
CASH, June 30	\$ 6,980	23,361
RECONCILIATION OF OPERATING INCOME TO NET CASH INCREASED (DECREASED) BY OPERATING ACTIVITIES		
Operating income (loss)	\$ 18,230	11,286
Adjustments to reconcile operating income to net cash increased (decreased) by operating activities:		
Depreciation	1,730	1,730
Changes in assets and liabilities:		
Decrease (Increase) in accounts receivable	(6,149)	(13,246)
Decrease (Increase) in prepaid postage	(25,192)	1,590
Increase (Decrease) in accounts payable	(5,000)	5,000
Net Cash Increased (Decreased) by Operating Activities	\$ (16,381)	6,360

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit D

OFFICE OF STATE TREASURER
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CHANGES IN CASH AND INVESTMENTS - ABANDONED FUND
ACCOUNT FUND AND TREASURER'S INFORMATION FUND

	Year Ended June 30,			
	2001		2000	
	Abandoned Fund Account Fund	Treasurer's Information Fund	Abandoned Fund Account Fund	Treasurer's Information Fund
RECEIPTS				
Unclaimed deposits, dividends, interest, and other	\$ 44,734,558	0	25,631,735	0
Charges for services	0	3,450	0	2,533
Total Receipts	44,734,558	3,450	25,631,735	2,533
DISBURSEMENTS				
Refunds of unclaimed deposits	10,582,589	0	8,162,917	0
Expense and equipment	436,063	439	12,829	1,482
Total Disbursements	11,018,652	439	8,175,746	1,482
RECEIPTS OVER (UNDER) DISBURSEMENTS	33,715,906	3,011	17,455,989	1,051
TRANSFERS				
Transfers from General Revenue Fund-State	500,000	0	0	0
Transfers (to) General Revenue Fund-State	(32,088,269)	0	(17,041,837)	(14)
Total Transfers	(31,588,269)	0	(17,041,837)	(14)
RECEIPTS OVER (UNDER) DISBURSEMENTS AND TRANSFERS	2,127,637	3,011	414,152	1,037
CASH AND INVESTMENTS, JULY 1	671,421	5,846	257,269	4,809
CASH AND INVESTMENTS, JUNE 30	\$ 2,799,058	8,857	671,421	5,846

The accompanying Notes to the Financial Statements are an integral part of this statement.

EXHIBIT E

OFFICE OF STATE TREASURER
COMPARATIVE STATEMENT OF APPROPRIATIONS AND EXPENDITURES

		Year Ended June 30,					
		2001			2000		
		Appropriations	Expenditures	Lapsed Balances	Appropriations	Expenditures	Lapsed Balances
GENERAL REVENUE FUND - STATE							
Expense and equipment	\$	0	0	0	66,583	66,583	0
Issuing duplicate checks		1,393,000	1,301,034	91,966	1,461,500	1,153,643	307,857
Services to monitor companies doing business in Northern Ireland		3,000	3,000	0	3,000	3,000	0
Outlawed checks		53,743	53,418	325	6,850	3,978	2,872
Lease and utility expense		2,940	2,278	662	2,940	1,572	1,368
Personal service		1,507,321	1,337,309	170,012	1,447,931	1,346,113	101,818
Expense and equipment		62,610	62,610	0	153,500	90,890	62,610 *
Expense and equipment		503,693	499,856	3,837	494,050	476,926	17,124
Refunds of excess interest from the linked deposit program		4,000	2,643	1,357	22,120	16,976	5,144
Total General Revenue Fund - State		3,530,307	3,262,148	268,159	3,658,474	3,159,681	498,793
TREASURER'S INFORMATION FUND							
Expense and equipment		8,000	439	7,561	8,000	1,482	6,518
CENTRAL CHECK MAILING SERVICE							
REVOLVING FUND							
Expense and equipment		225,000	174,853	50,147	200,000	141,066	58,934
STATE HIGHWAYS AND							
TRANSPORTATION DEPARTMENT FUND							
Personal service		456,074	442,238	13,836	437,242	424,124	13,118
SECOND INJURY FUND							
Personal service		36,022	33,361	2,661	34,522	27,255	7,267
Expense and equipment		3,280	3,038	242	3,280	2,590	690
Total Second Injury Fund		39,302	36,399	2,903	37,802	29,845	7,957
ABANDONED FUND ACCOUNT FUND							
Expense and equipment		443,701	436,063	7,638	129,701	129,701	0
Payment of claims for abandoned property		12,000,000	10,251,837	1,748,163	8,200,000	8,198,804	1,196
Total Abandoned Fund Account Fund		12,443,701	10,687,900	1,755,801	8,329,701	8,328,505	1,196
Total All Funds	\$	16,702,384	14,603,977	2,098,407	12,671,219	12,084,703	586,516

The accompanying Notes to the Financial Statements are an integral part of this statement.

* Biennial appropriations set up in the current fiscal year are re-appropriations to the next year. After the June month-end processing has been completed, the unexpended appropriation balance for a biennial appropriation is established in the new fiscal year. Therefore, there is no lapsed balance for a biennial appropriation at the end of the first year.

Supplementary Data

Schedule 1

OFFICE OF STATE TREASURER
CENTRAL CHECK MAILING SERVICE REVOLVING FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS

	Year Ended June 30,				
	2001	2000	1999	1998	1997
OPERATING REVENUES					
Charges for services	\$ 169,621	155,672	54,714	51,992	48,492
Total Operating Revenues	<u>169,621</u>	<u>155,672</u>	<u>54,714</u>	<u>51,992</u>	<u>48,492</u>
OPERATING EXPENSES					
Postage	135,036	125,645	47,576	49,093	40,583
Office supplies	14,625	17,011	10,335	8,191	6,642
Other	0	0	0	0	77
Depreciation	1,730	1,730	1,730	1,730	1,730
Total Operating Expenses	<u>151,391</u>	<u>144,386</u>	<u>59,641</u>	<u>59,014</u>	<u>49,032</u>
NET INCOME (LOSS)	18,230	11,286	(4,927)	(7,022)	(540)
RETAINED EARNINGS, JULY 1	23,669	12,383	17,310	24,332	24,872
RETAINED EARNINGS, JUNE 30	<u>\$ 41,899</u>	<u>23,669</u>	<u>12,383</u>	<u>17,310</u>	<u>24,332</u>

The accompanying Notes to the Supplementary Data are an integral part of this statement.

Schedule 2

OFFICE OF STATE TREASURER
COMPARATIVE STATEMENT OF EXPENDITURES (FROM APPROPRIATIONS)

	Year Ended June 30,	
	2001	2000
Personal service	\$ 1,812,908	1,797,492
Travel	34,477	48,348
Expense and equipment	295,552	273,203
Communications expense	104,843	100,318
Professional services	486,819	274,832
Equipment repairs and maintenance	86,861	38,368
Equipment and software purchases	173,585	178,741
Abandoned fund claim payments and linked deposit interest refunds	10,254,480	8,215,780
Replacement of outlawed checks	1,354,452	1,157,621
Total Expenditures	<u>\$ 14,603,977</u>	<u>12,084,703</u>

The accompanying Notes to the Supplementary Data are an integral part of this statement.

Schedule 3

OFFICE OF STATE TREASURER
STATEMENT OF CHANGES IN GENERAL FIXED ASSETS
YEAR ENDED JUNE 30, 2001

	Balance July 1, 2000	Additions	Dispositions	Balance June 30, 2001
Equipment	\$ 813,983	104,434	(143,662)	774,755
Motor vehicles	37,453	0	(20,871)	16,582
Total General Fixed Assets	\$ <u>851,436</u>	<u>104,434</u>	<u>(164,533)</u>	<u>791,337</u>

The accompanying Notes to the Supplementary Data are an integral part of this statement.

Schedule 4

OFFICE OF STATE TREASURER
COMPARATIVE STATEMENT OF FUNDS IN CUSTODY OF STATE TREASURER

	June 30,				
	2001	2000	1999	1998	1997
APPROPRIATED FUNDS					
Demand Deposits:					
Firststar Bank	\$ 19,067,922	20,193,672	17,378,945	27,419,757	0
Central Bank	(171,270,259)	(145,640,671)	(181,557,095)	(168,421,915)	(117,767,344)
Premier Bank	23,742	N/A	N/A	N/A	N/A
Collection bank accounts	1,269,172	1,144,983	6,781,261	4,990,343	5,797,090
Total Demand Deposits	<u>(150,909,423)</u>	<u>(124,302,016)</u>	<u>(157,396,889)</u>	<u>(136,011,815)</u>	<u>(111,970,254)</u>
Pooled Investments:					
Time deposits	453,435,866	498,164,830	442,979,003	421,840,092	424,192,952
U.S. government securities	1,419,273,616	1,812,434,510	2,299,678,256	3,048,280,491	2,607,059,674
Commercial paper and banker acceptances	873,037,428	688,517,469	734,288,488	N/A	N/A
Repurchase agreements	341,656,000	214,844,900	152,784,800	394,450,700	652,396,500
Other investments	N/A	N/A	10,130	10,130	10,130
Total Pooled Investments	<u>3,087,402,910</u>	<u>3,213,961,709</u>	<u>3,629,740,677</u>	<u>3,864,581,413</u>	<u>3,683,659,256</u>
Total Demand Deposits and Pooled Investments (Schedule 5)	<u>2,936,493,487</u>	<u>3,089,659,693</u>	<u>3,472,343,788</u>	<u>3,728,569,598</u>	<u>3,571,689,002</u>
Special Fund Dedicated Investments:					
U.S. government securities	16,703,999	15,900,896	N/A	N/A	N/A
Donated corporate stock	5,130	5,130	N/A	N/A	N/A
Total Special Fund Dedicated Investments	<u>16,709,129</u>	<u>15,906,026</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Appropriated Funds	<u>2,953,202,616</u>	<u>3,105,565,719</u>	<u>3,472,343,788</u>	<u>3,728,569,598</u>	<u>3,571,689,002</u>
NONAPPROPRIATED FUNDS					
Demand Deposits	19,312	4,417	3,977	4,055	3,777
Repurchase agreements	110,607,600	8,074,300	7,793,800	8,420,300	8,796,800
U.S. government securities	65,312,467	0	0	0	0
Total Nonappropriated Funds (Schedule 6)	<u>175,939,379</u>	<u>8,078,717</u>	<u>7,797,777</u>	<u>8,424,355</u>	<u>8,800,577</u>
Total Cash and Investments	<u>\$ 3,129,141,995</u>	<u>3,113,644,436</u>	<u>3,480,141,565</u>	<u>3,736,993,953</u>	<u>3,580,489,579</u>

The accompanying Notes to the Supplementary Data are an integral part of this statement.

OFFICE OF STATE TREASURER
COMPARATIVE STATEMENT OF
"LIST OF BALANCES IN THE SEVERAL FUNDS"

(U N A U D I T E D)

	June 30,				
	2001	2000	1999	1998	1997
General Revenue Fund	\$ 438,697,261	776,602,798	1,167,276,156	1,455,967,248	1,410,053,968
Budget Reserve Fund	451,979,496	N/A	N/A	N/A	N/A
Budget Stabilization Fund	0	142,777,241	135,293,029	128,169,446	121,444,844
Cash Operating Reserve - General Revenue Fund	0	293,425,819	278,468,808	261,985,315	245,143,210
Abandoned Fund Account Fund	2,799,058	671,421	257,269	675,468	851,738
Abandoned Mine Reclamation Fund	805,733	709,252	611,127	517,196	425,633
Academic Scholarship Fund	327,773	321,932	93,018	90,165	N/A
Adjutant General - Federal Fund	1,259,644	1,575,342	1,160,612	2,169,055	991,749
Adjutant General Revolving Fund	110,311	244,176	244,500	215,508	201,779
Administrative Trust Fund	12,353,604	10,990,480	10,784,887	11,817,319	10,983,478
Advantage Missouri Trust Fund	82,906	36,860	N/A	N/A	N/A
Agricultural Product Utilization Business					
Development Loan Guarantee Fund	1	8	14,591	N/A	N/A
Agricultural Product Utilization Grant Fund	73,417	417,500	377,042	N/A	N/A
Agriculture Bond Trustee Fund	0	0	0	0	0
Agriculture Development Fund	64,422	55,582	56,395	51,443	44,116
Aid to Dependent Children - Federal Fund	0	0	0	23	15,475,075
Alternative Care Trust Fund	2,011,676	1,917,619	1,500,105	1,723,174	1,917,931
Americans With Disabilities Act Compliance Fund	283,262	1,566,973	3,905,067	3,582,022	8,569,727
Animal Care Reserve Fund	143,176	206,352	233,623	175,110	187,238
Animal Health Laboratory Fee Fund	247,997	235,049	246,914	165,882	148,995
Apple Merchandising Fund	10,386	11,214	7,655	10,790	9,542
Aquaculture Marketing Development Fund	0	0	1,539	915	0
Assistive Technology Loan Revolving Fund	469,704	N/A	N/A	N/A	N/A
Athletic Fund	405,982	351,203	535,604	302,470	135,081
Attorney General - Federal and Other Fund	46,212	663	6,746	0	3,951
Attorney General Anti-Trust Revolving Fund	314,260	801,742	499,754	763,778	539,006
Attorney General Court Costs Fund	48,898	11,644	10,411	9,456	19,782
Aviation Trust Fund	8,593,264	6,197,404	2,899,035	419,947	351,216
Bingo Proceeds for Education Fund	5,910,434	7,078,673	8,870,862	8,700,240	6,402,442
Blind Pension Fund	7,949,388	5,735,291	3,919,108	3,047,200	2,481,180
Blindness Education, Screening and Treatment Program Fund	113,420	N/A	N/A	N/A	N/A
Board of Barber Examiners Fund	106,499	150,580	156,154	182,031	211,982
Board of Embalmers and Funeral Directors Fund	329,728	657,413	306,019	307,630	309,368
Board of Geologist Registration Fund	101,147	88,133	76,363	63,448	61,213
Board of Pharmacy Fund	2,042,991	1,451,661	1,084,804	950,972	777,259
Board of Registration for the Healing Arts Fund	5,174,356	5,179,330	5,141,105	5,084,207	4,699,622
Bridge Scholarship Fund	0	1,335,986	290,372	N/A	N/A
Business Service Extension Team Fund	4,962,020	4,248,291	3,570,702	3,081,493	2,159,428
Central Check Mailing Service Revolving Fund	6,980	23,361	17,001	23,241	32,961
Champ W. Smith & Mary C. Smith					
Memorial Endowment Trust Fund	424,095	405,892	384,668	384,158	385,333
Chemical Emergency Preparedness Fund	651,174	746,644	782,626	814,632	924,762
Child Labor Enforcement Fund	43,995	30,107	49,319	538	0
Child Support Enforcement Fund	7,762,255	11,139,043	6,093,302	4,564,833	3,969,118
Children's Trust Fund	4,250,891	4,302,138	3,873,938	3,334,529	3,927,446
Clinical Social Workers Fund	568,315	559,955	670,208	627,000	613,039
Coal Mine Land Reclamation Fund	908,615	846,917	853,287	785,075	2,104,021
Committee of Professional Counselors Fund	416,898	564,397	534,729	412,638	334,100
Commodity Council Merchandising Fund	24,488	21,641	21,274	483,754	490,697
Community Service Commission Fund	14,367	4,605	73,544	247,624	2,602
Compulsive Gamblers Fund	10,124	111,115	210,740	231,478	163,313
Concentrated Animal Feeding Operation Indemnity Fund	154,534	118,759	58,669	25,086	N/A
Confederate Memorial Park Fund	130,751	123,329	116,868	110,773	105,136
Conservation Commission Fund	17,034,452	27,911,407	31,373,471	13,330,523	20,905,807
Correctional Substance Abuse Earnings Fund	174,670	86,723	16,171	N/A	N/A
County Aid Road Trust Fund	116	116	116	116	115
Crime Victims' Compensation Fund	7,750,711	8,463,246	7,991,887	7,689,770	7,965,771
Criminal Justice Network and Technology Revolving Fund	550,912	163,278	124,830	465,281	N/A
Criminal Record System Fund	6,085,569	4,856,861	3,352,363	2,553,611	2,097,509

Schedule 5

OFFICE OF STATE TREASURER
COMPARATIVE STATEMENT OF
"LIST OF BALANCES IN THE SEVERAL FUNDS"

(U N A U D I T E D)

	June 30,				
	2001	2000	1999	1998	1997
Crippled Children's Service Fund	439,710	376,064	309,655	236,808	208,075
Deaf Relay Service Fund	7,357,731	7,379,884	6,096,587	5,535,873	4,949,677
Debt Offset Escrow Fund	17,509,906	10,076,605	5,179,718	1,910,225	1,660,351
Dental Board Fund	408,942	406,924	353,035	391,213	428,688
Department of Agriculture - Federal Fund	17,179	22,321	41,652	42,287	36,822
Department of Corrections - Federal Fund	2,464,906	2,587,151	3,040,595	1,976,299	2,766,765
Department of Economic Development - Community Development Block Grant Administration Fund	46,476	35,093	26,790	29,202	10,065
Department of Economic Development - Community Development Block Grant Pass-through Fund	35,736	5,722	25,597	794,099	1,113
Department of Economic Development - Federal and Other Fund	29,062	70,916	4,685	28,904	12,193
Department of Economic Development - Management Information Systems - Federal and Other Fund	129	129	129	129	129
Department of Economic Development - Missouri Council on the Arts - Federal and Other Fund	12,242	33,347	58,378	91,691	58,450
Department of Economic Development - Women's Council - Federal Fund	5,433	5,433	21,552	13,764	9,422
Department of Economic Development Administrative Fund	221,601	290,726	164,532	23,240	133,766
Department of Health - Donated Fund	747,772	801,302	463,590	35,978	39,287
Department of Health - Federal Fund	1,151,130	5,202,042	5,031,324	2,486,490	3,576,866
Department of Health Document Services Fund	49,852	108,408	62,824	81,388	117,093
Department of Health Interagency Payments Fund	223,159	242,963	88,294	N/A	N/A
Department of Higher Education - Federal Fund	26,187	31,712	17,304	501	2,971
Department of Insurance Dedicated Fund	9,190,004	8,621,390	8,057,043	7,608,108	6,879,262
Department of Labor and Industrial Relations - Administrative Fund	383,796	N/A	N/A	N/A	N/A
Department of Labor and Industrial Relations - Commission on Human Rights - Federal Fund	1,392,396	1,168,794	836,899	459,014	266,036
Department of Labor and Industrial Relations - Crime Victims -Federal Fund	96,269	95,199	75,966	5	2,363
Department of Mental Health - Federal Fund	55,593,079	61,697,526	892,647	993,752	1,024,515
Department of Natural Resources - Federal and Other Fund	6,522,883	2,981,637	7,770,346	6,248,204	6,754,660
Department of Natural Resources Cost Allocation Fund	858,747	1,743,982	774,526	376,605	505,621
Department of Natural Resources Revolving Services Fund	209,629	348,300	387,789	1,109,291	286,380
Department of Public Safety - Federal Fund	338,119	1,858,163	1,408,647	1,671,251	437,999
Department of Public Safety - Highway Safety Fund	128,543	213,398	359,448	225,263	103,017
Department of Public Safety - JAIBG Fund	5,195,957	7,626,596	4,568,764	N/A	N/A
Department of Revenue - Federal Fund	212,081	214,946	207,039	306,779	92,139
Department of Revenue Information Fund	512,115	664,532	1,199,646	1,383,199	2,071,945
Department of Social Services - Federal and Other Fund	1,127,274	14,600,515	1,203,836	563,673	432,880
Department of Social Services Administrative Trust Fund	736,244	241,972	126,242	123,985	409,227
Department of Social Services Educational Improvement Fund	2,855,751	3,850,534	3,395,873	2,529,585	1,837,069
Design and Construction Donated Fund	9	9	9	9	70
Dietitian Fund	93,820	N/A	N/A	N/A	N/A
Division of Aging - Federal and Other Fund	1,891,908	2,342,779	808,130	1,286,012	1,144,830
Division of Aging Donations Fund	1,599	1,599	1,599	1,599	1,599
Division of Aging Elderly Home Delivered Meals Trust Fund	101,748	88,453	63,752	91,089	33,760
Division of Credit Unions Fund	359,639	334,940	207,083	201,774	165,921
Division of Family Services - Administrative Fund	14,567,652	12,916,096	15,282,682	12,670,786	20,317,294
Division of Family Services Donations Fund	272,833	261,633	265,905	255,947	104,625
Division of Finance Fund	673,349	1,260,473	1,564,533	1,677,342	998,299
Division of Labor Standards - Federal Fund	13,616	28,424	25,088	19,115	8,175
Division of Savings and Loan Supervision Fund	40,692	28,569	37,119	66,582	40,617
Division of Tourism Supplemental Revenue Fund	4,184,763	3,524,625	2,674,053	2,597,750	2,343,320
Division of Youth Services - Federal and Other Fund	648,999	2,406,578	1,236,130	356,167	613,926
Doctor Edmund A. Babler Memorial - State Park Fund	836,892	939,903	938,873	878,430	795,267
Domestic Relations Resolution Fund	569,705	367,203	177,217	N/A	N/A

OFFICE OF STATE TREASURER
COMPARATIVE STATEMENT OF
"LIST OF BALANCES IN THE SEVERAL FUNDS"

(U N A U D I T E D)

	June 30,				
	2001	2000	1999	1998	1997
Dry-Cleaning Environmental Response Trust Fund	208,690	N/A	N/A	N/A	N/A
Early Childhood Development, Education and Care Fund	43,821,123	45,465,648	25,340,676	N/A	N/A
Economy Rate Telephone Service Fund	50	N/A	N/A	N/A	N/A
Elementary and Secondary Education - Federal and Other Fund	1,229,874	2,606,482	4,471,180	2,255,211	4,139,133
Elevator Safety Fund	85,906	N/A	N/A	N/A	N/A
Endowed Care Cemetery Audit Fund	218,963	241,779	231,835	200,767	428,045
Energy Set-Aside Program Fund	22,336,181	14,135,697	16,790,980	19,055,453	17,325,892
Escheats Fund	6,872,791	6,287,398	6,141,744	5,344,864	5,682,486
Excellence in Education Fund	1,099,804	1,004,463	1,108,342	1,463,130	1,819,363
Facilities Maintenance Reserve Fund	30,966,318	22,768,361	13,175,243	4,899,661	N/A
Fair Share Fund	2,105,985	2,332,105	2,152,301	637,682	2,293,510
Family Support Loan Fund	114,995	97,058	99,185	136,932	147,593
Federal - Missouri Department of Insurance Fund	0	0	0	0	0
Federal and Other Fund	2,850	11,263	4,044	68,165	8,391
Federal Drug Seizure Fund	2,237,474	3,809,785	3,841,586	1,090,286	386,019
Federal Reimbursement Allowance Fund	23,147,141	27,780,449	37,650,850	34,584,196	40,308,215
Federal Student Loan Reserve Fund	26,959,150	34,595,580	N/A	N/A	N/A
Federal Surplus Property Fund	1,690,580	1,508,761	1,797,410	1,487,737	1,192,200
Fine Collections Center Interest Revolving Fund	10,129	N/A	N/A	N/A	N/A
Firing Range Fee Fund	1,434	1,434	1,434	1,434	1,468
Food Stamp EBT Settlement Fund	0	0	6,587,306	6,111,728	451,795
Fourth State Building - Series A 1995	0	0	0	0	123,747
Fourth State Building - Series A 1996	0	0	0	26,307,603	95,452,316
Fourth State Building - Series A 1998	15,350,156	19,036,607	22,004,237	50,159,038	N/A
Fourth State Building Bond and Interest Series A 1995	6,112,982	6,008,573	6,082,552	6,017,509	6,019,271
Fourth State Building Bond and Interest Series A 1996	10,142,670	10,049,005	10,204,031	10,204,154	10,113,814
Fourth State Building Bond and Interest Series A 1998	3,804,229	3,777,876	3,779,338	3,637,109	N/A
Gaming Commission Bingo Fund	2,537	17,394	89,804	56,337	139,176
Gaming Commission Fund	4,690,850	6,835,388	7,896,325	38,885,373	55,947,319
Gaming Proceeds for Education Fund	13,416,742	13,749,083	5,727,863	5,608,803	4,733,872
General Revenue - Cultural Sub-Account Fund	0	0	0	0	0
General Revenue Reimbursements Fund	6,500,746	10,797,459	63,862,901	66,031,946	48,436,550
Governor's Committee on Employment of the Handicapped - Federal Fund	704,496	166,405	241,203	219,173	126,874
Grade Crossing Fund	0	0	0	153,707	247,547
Grade Crossing Safety Account Fund	4,872,583	4,414,151	4,335,291	4,135,609	3,587,201
Grain Inspection Fees Fund	340,234	442,300	555,038	738,163	769,732
Groundwater Protection Fund	207,197	225,685	171,702	205,133	213,325
Guaranty Agency Operating Fund	6,970,923	8,612,013	N/A	N/A	N/A
Handicapped Children's Trust Fund	23	846	1,072	1,072	1,072
Hazardous Waste Fund	962,798	596,416	560,442	164,890	143,634
Hazardous Waste Remedial Fund	2,829,818	3,573,649	4,252,922	3,755,085	5,196,767
Health Access Incentive Fund	582,825	1,979,962	812,029	1,332,552	1,620,413
Health Initiatives Fund	8,298,720	9,320,373	13,303,065	19,664,820	22,535,056
Health Spa Regulatory Fund	76,161	69,515	69,876	66,089	61,100
Healthy Families Trust Fund	211,330,653	N/A	N/A	N/A	N/A
Hearing Instrument Specialist Fund	91,419	84,605	79,728	63,609	63,457
Highway Patrol Academy Fund	464,005	483,302	248,267	198,531	154,670
Highway Patrol Inspection Fund	2,519,683	3,305,943	2,171,007	2,890,935	1,954,321
Highway Patrol's Motor Vehicle and Aircraft Revolving Fund	4,517,360	4,185,382	3,105,290	3,551,287	3,433,301
Highway Revenue Generating Fund	0	0	0	3,622	3,622
Historic Preservation Revolving Fund	1,471,854	760,279	270,139	249,812	280,151
House of Representatives Revolving Fund	81	4,664	11,542	11,975	37,472
Independent Living Center Fund	404,258	403,768	362,340	348,815	330,153
Industrial/Commercial Energy Conservation Loan Fund	0	0	0	0	0
Industrial Development and Reserve Fund	0	0	977,179	1,139,768	1,236,069
Infrastructure Development	0	N/A	N/A	N/A	N/A
Inmate Incarceration Reimbursement Act Revolving Fund	184,618	147,400	131,387	128,957	74,445

OFFICE OF STATE TREASURER
COMPARATIVE STATEMENT OF
"LIST OF BALANCES IN THE SEVERAL FUNDS"

(U N A U D I T E D)

	June 30,				
	2001	2000	1999	1998	1997
Inmate Revolving Fund	2,556,898	2,009,020	1,630,111	1,822,335	1,664,412
Insurance Examiners Fund	523,237	506,241	438,586	499,251	704,342
Intergovernmental Transfer Fund	2,000,000	N/A	N/A	N/A	N/A
Interior Design Council Fund	19,975	N/A	N/A	N/A	N/A
International Trade Show Revolving Fund	67,835	22,026	8,416	8,122	38,040
Job Development and Training Fund	2,619,964	3,336,531	950,703	315,394	173,792
Judiciary Education and Training Fund	194,489	203,298	275,783	N/A	N/A
Kid's Chance Scholarship Fund	105,710	51,193	N/A	N/A	N/A
Landscape Architectural Council Fund	15,663	24,059	31,814	40,536	42,812
Legal Defense and Defender Fund	163,647	472,424	480,531	264,292	79,569
Library Networking Fund	15,104	44,362	N/A	N/A	N/A
Licensed Perfusionists Fund	0	7,980	9,000	N/A	N/A
Light Rail Safety Fund	30	1,694	2,050	2,280	N/A
Livestock Brands Fund	9,104	415	22,273	8,713	7,657
Livestock Dealer Law Enforcement and Administration Fund	45	5,184	5,487	7,509	4,002
Livestock Sales and Markets Fees Fund	75	11,265	2,623	7,404	3,515
Local Government Energy Conservation Loan Fund	0	0	0	0	0
Local Records Preservation Fund	1,141,354	1,552,964	1,660,386	1,401,340	1,476,824
Lottery Proceeds Fund	30,556,966	65,839,958	71,234,118	63,830,483	45,376,115
Mammography Fund	274,339	232,751	217,558	179,496	143,851
Manufactured Housing Fund	263,293	493,135	712,818	694,029	790,420
Marguerite Ross Barnett Scholarship Fund	65,027	13,038	N/A	N/A	N/A
Marital and Family Therapists Fund	56,437	42,238	40,229	N/A	N/A
Marketing Development Fund	348,237	337,917	260,687	242,380	193,794
Massage Therapy Fund	300,677	N/A	N/A	N/A	N/A
MCSAP/Division of Transportation - Federal Fund	877	196,640	144,751	176,190	158,192
Medicaid Fraud Reimbursement Fund	5,000	5,000	5,000	N/A	N/A
Medical School Loan and Loan Repayment Program Fund	153,820	168,391	151,855	146,446	93,735
Mental Health Central Supply Fund	0	0	1,000	1,000	624,346
Mental Health Earnings Fund	552,617	500,396	824,960	663,821	922,331
Mental Health Housing Trust Fund	4,702	4,435	4,205	4,195	4,019
Mental Health Interagency Payments Fund	776,271	487,924	161,939	799,056	426,136
Mental Health Trust Fund	3,955,680	6,438,120	5,329,505	3,538,840	3,975,670
Meramec-Onondaga State Parks Fund	1,034,424	994,567	958,851	922,947	892,816
Merchandising Practices Revolving Fund	3,277,363	2,950,469	2,436,924	2,286,822	2,050,751
Metallic Minerals Waste Management Fund	216,708	215,477	218,093	206,286	214,991
Microfilming Service Revolving Trust Fund	35,768	35,768	35,848	35,837	32,488
Mined Land Reclamation Fund	3,839,689	3,995,941	3,751,491	3,561,740	1,975,801
Missouri Air Emission Reduction Fund	1,748,643	375,581	N/A	N/A	N/A
Missouri Air Pollution Control Fund	65,107	853,041	1,262,211	1,041,691	982,130
Missouri Arts Council Trust Fund	8,928,801	9,061,274	10,988,326	13,484,355	8,513,606
Missouri Board Of Occupational Therapy Fund	444,509	221,288	356,398	121,777	N/A
Missouri Breeders Fund	78,342	76,814	74,238	71,791	72,027
Missouri Capital Access Program Fund	0	242,500	242,500	242,500	242,500
Missouri Children's Service Commission Fund	16,632	16,763	15,952	15,125	14,425
Missouri College Guarantee Fund	4,802,651	6,546,112	3,008,033	N/A	N/A
Missouri Commission for the Deaf Board of Certification of Interpreters Fund	21,516	3,320	54	13,330	12,314
Missouri Community College Job Training Program Fund	7,428	0	0	0	651,542
Missouri Consolidated Health Care Plan Benefit Fund	6,381,838	0	0	0	0
Missouri Crime Prevention Information and Programming Fund	6,458	0	0	0	0
Missouri Disaster Fund	59,556	231,525	98,706	415,866	151,142
Missouri Health Care Providers Fund	0	0	0	70	191,692
Missouri Horse Racing Fund	69	9	0	0	88
Missouri Housing Trust Fund	3,972,815	4,255,307	4,929,604	4,031,191	3,750,405
Missouri Humanities Council Trust Fund	1,469,871	533,134	364,732	205,132	100,687
Missouri Job Development Fund	1,459,977	2,516,319	4,760,404	489,093	3,913,201
Missouri Main Street Program Fund	4,177	141,582	139,544	101,808	97,000
Missouri National Guard Training Site Fund	99,878	55,443	49,852	75,654	66,140

Schedule 5

OFFICE OF STATE TREASURER
COMPARATIVE STATEMENT OF
"LIST OF BALANCES IN THE SEVERAL FUNDS"

(U N A U D I T E D)

	June 30,				
	2001	2000	1999	1998	1997
Missouri National Guard Trust Fund	3,583,921	3,589,693	2,409,528	N/A	N/A
Missouri Office of Prosecution Services Fund	64,200	69,460	64,125	50,762	31,995
Missouri Office of Prosecution Services Revolving Fund	23,100	5,680	3,608	2,976	N/A
Missouri Prospective Teachers Loan Fund	16,259	16,260	16,267	16,194	16,039
Missouri Public Health Services Fund	306,295	363,887	544,160	886,467	527,319
Missouri Public Television Broadcasting Corporation Special Fund	216,419	N/A	N/A	N/A	N/A
Missouri Qualified Fuel Ethanol Producer Incentive Fund	0	65,741	N/A	N/A	N/A
Missouri Real Estate Commission Fund	3,244,715	2,982,063	2,967,376	2,685,005	2,693,099
Missouri Rehabilitation Center Fund	N/A	N/A	N/A	0	103
Missouri State Employees' Deferred Compensation Incentive Plan Administration Fund	(636)	0	100	0	0
Missouri Student Grant Program Gift Fund	0	38,894	2,049	2,049	1,299
Missouri Supplemental Tax Increment Financing	0	N/A	N/A	N/A	N/A
Missouri Technology Investment Fund	22,765	1,279,939	1,018,573	567,557	1,232,185
Missouri Veterans Commission - Federal Fund	249,269	614,857	1,499,512	9,900	120,075
Missouri Veterans Homes Fund	941,428	1,276,601	357,249	1,252,111	2,595,299
Missouri Water Development Fund	0	0	0	571,272	24,414
Missouri Wine Marketing and Research Development Fund	32	0	7,308	N/A	N/A
Motor Fuel Tax Fund	2,104,108	7,497,927	25,176,162	25,911,286	18,909,417
Motor Vehicle Commission Fund	1,788,174	1,657,328	1,897,763	1,676,461	1,423,650
Motorcycle Safety Trust Fund	284	4,132	3,140	731	4,815
Multimodal Operations Federal Fund	587,638	397,921	606,371	385,715	236,924
Natural Resources Protection Fund	581,448	559,943	558,636	168,613	414,965
Natural Resources Protection Fund - Air Pollution Asbestos Fee Subaccount Fund	1,005,211	942,537	880,637	924,912	946,612
Natural Resources Protection Fund - Air Pollution Permit Fee Subaccount Fund	12,180,479	14,196,181	16,941,786	17,997,200	17,029,875
Natural Resources Protection Fund - Water Pollution Permit Fee Subaccount Fund	11,741,569	9,985,295	9,249,872	6,135,419	4,451,449
Nursing Facility Federal Reimbursement Allowance Fund	5,216,824	2,521,129	819,886	1,272,409	1,591,338
Nursing Facility Quality of Care Fund	1,793,330	2,404,634	2,443,204	2,914,493	2,377,970
Office of Administration - Federal and Other Fund	325,238	395,984	547,616	345,504	790,198
Office of the State Public Defender - Federal and Other Fund	19,909	19,909	20,078	18,487	21,299
Oil and Gas Remedial Fund	14,488	14,488	18,893	18,893	23,414
Optometry Fund	202,748	164,913	120,121	105,812	104,829
Organ Donor Program Fund	894,291	861,766	680,896	606,071	475,618
Outstanding Schools Trust Fund	155,180,181	242,235,465	324,123,685	389,313,169	363,106,043
Pansey Johnson-Travis Memorial State Gardens Trust Fund	15,707	12,821	795,977	751,620	710,291
Pansey Johnson-Travis Stocks and Securities Trust Fund	N/A-1	N/A-1	10,130	10,130	10,130
Peace Officers Standards and Training Commission Fund	1,196,827	1,292,253	1,189,769	912,291	410,680
Petition Audit Revolving Trust Fund	608,879	567,682	348,623	353,131	484,457
Petroleum Inspection Fund	2,066,376	1,450,724	1,366,010	1,651,931	1,655,792
Petroleum Storage Tank Insurance Fund	38,890,913	46,090,200	55,840,164	55,019,305	45,568,063
Petroleum Violation Escrow Fund	6,434,343	20,190,215	20,794,899	21,367,253	22,439,696
Petroleum Violation Escrow Interest Subaccount Fund	2,730	N/A	N/A	N/A	N/A
Pharmacy Rebate Fund	1,481,918	233,421	N/A	N/A	N/A
Post-Closure Fund	142,473	189,657	268,488	260,114	N/A
Premium Fund	23,170	22,438	N/A	N/A	N/A
Professional and Practical Nursing Student Loan and Nurse Loan Repayment Fund	987,824	676,511	943,628	614,943	975,714
Professional Registration Fees Fund	485,976	60,842	17,210	31,796	167,573
Property Reuse Fund	4,102,947	3,802,801	3,204,516	3,127,992	3,017,322
Proprietary School Bond Fund	0	0	0	9,393	N/A
Prosecuting Attorneys' and Circuit Attorneys' Retirement Fund	0	0	0	0	N/A
Public Service Commission Fund	465,196	2,555,798	1,426,865	354,408	1,174,361
Railroad Expense Fund	31,305	79,856	85,901	158,793	57,888
Real Estate Appraisers Fund	371,779	612,138	585,485	618,109	767,043
Residential Mortgage Licensing Fund	674,432	577,131	464,989	479,056	273,850
Respiratory Care Practitioners Fund	213,343	149,560	80,945	245	N/A
Safe Drinking Water Fund	3,829,548	3,798,228	3,579,157	3,402,391	3,156,122

OFFICE OF STATE TREASURER
COMPARATIVE STATEMENT OF
"LIST OF BALANCES IN THE SEVERAL FUNDS"

(U N A U D I T E D)

	June 30,				
	2001	2000	1999	1998	1997
School Building Revolving Fund	3,461,475	1,113,426	169,549	N/A	N/A
School District Bond Fund	8,728,542	7,132,397	7,101,022	7,132,497	7,423,244
School District Trust Fund	48,897,468	56,348,298	57,684,007	53,849,179	59,666,555
School for Blind Trust Fund	29,455	41,233	482,416	65,884	6,822
School for Deaf Trust Fund	34,694	5,854	29	79	79
Second Injury Fund	21,760,262	17,010,892	11,111,660	6,711,407	14,804,566
Secretary of State's Investor Education Fund	232,932	200,986	210,789	112,146	139,708
Secretary of State - Federal Fund	85,389	58,789	7,631	10	49
Secretary of State - Technology Trust Fund Account Fund	3,294,151	3,149,925	2,427,488	2,017,405	2,583,796
Secretary of State Institutional Gift Trust Fund	261,357	492,064	743,481	870,516	987,644
Senate Revolving Fund	56,494	18,194	35,329	20,332	114,634
Services to Victims Fund	3,321,516	3,703,285	3,412,801	2,747,219	1,731,619
Single-Purpose Animal Facilities Loan Program Fund	459,341	395,186	356,954	326,154	243,744
Social Security Contributions Fund	61,784	9,882,847	102,381	102,381	102,381
Soil and Water Sales Tax Fund	20,321,197	14,605,379	13,735,535	10,523,769	15,043,580
Solid Waste Management Fund	13,117,318	11,994,692	12,577,476	10,851,833	13,436,425
Solid Waste Management Fund - Scrap Tire Subaccount Fund	4,149,263	4,718,823	5,118,266	5,155,939	4,518,296
Special Employment Security Fund	6,229,442	5,575,415	3,654,527	3,731,339	3,786,005
State Agency for Surplus Property Fund	504,659	308,197	413,695	321,233	195,480
State Auditor - Federal Fund	593,843	900,132	818,041	865,477	921,203
State Board of Accountancy Fund	1,134,471	1,161,717	1,322,212	1,339,404	1,562,364
State Board of Architects, Engineers and Land Surveyors Fund	469,844	200,153	425,889	383,545	924,704
State Board of Chiropractic Examiners' Fund	478,744	165,890	157,214	181,318	214,353
State Board of Cosmetology Fund	1,024,405	1,679,622	1,023,690	2,218,640	1,405,102
State Board of Nursing Fund	3,983,338	340,151	1,572,253	1,296,919	2,337,798
State Board of Podiatry Fund	75,459	114,478	70,632	65,671	64,801
State Committee of Interpreters Fund	39,883	28,340	N/A	N/A	N/A
State Committee of Psychologists Fund	406,025	771,725	838,344	695,212	623,527
State Court Administration Revolving Fund	15,388	9,285	440	81	N/A
State Document Preservation Fund	50,684	43,010	40,823	10,838	20,053
State Elections Subsidy Fund	7,102	183,767	90,674	83,051	61,361
State Emergency Management - Federal and Other Fund	2,456,800	2,789,695	1,461,442	1,786,598	1,358,601
State Employee Voluntary Life Insurance Fund	0	76,033	82,548	89,781	N/A
State Environmental Improvement and Energy Resources Authority Fund	0	0	0	0	93
State Facility Maintenance and Operation Fund	1,291,599	2,480,354	2,616,610	2,149,404	2,250,265
State Fair Fees Fund	100,658	315,685	160,905	69,300	83,206
State Fair Trust Fund	1,463	1,631	496	333	830
State Forensic Laboratory Fund	31,821	110,024	95,610	162,686	136,759
State Guaranty Student Loan Fund	0	0	43,190,839	52,030,992	46,965,298
State Highways and Transportation Department Fund	31,064,724	2,516,468	12,666,059	6,054,885	7,357,079
State Institutions Gift Trust Fund	55,472	192,904	4,245	5,426	4,729
State Land Survey Program Fund	1,107,543	1,404,437	1,511,287	1,294,985	1,209,611
State Legal Expense Fund	1,794	21,862	14,868	101,299	85,429
State Lottery Fund	12,690,947	22,969,836	19,490,220	17,443,077	13,774,482
State Milk Inspection Fee Fund	203,055	337,632	273,116	201,488	209,865
State Park Sales Tax Fund	12,663,374	15,559,687	17,125,158	18,412,335	18,962,227
State Parks Earnings Fund	3,617,061	4,589,645	5,466,634	11,173,450	13,237,388
State Parks Revolving Fund	0	523	75,592	30,326	132,730
State Public School Fund	64,859	95,056	68,285	513,785	57,987
State Retirement Contributions Fund	8,124,473	0	156	0	0
State Road Fund	253,468,077	127,156,055	89,240,117	99,589,802	72,188,172
State Road Fund - Series A 2000	1,529,058	N/A	N/A	N/A	N/A
State School Moneys Fund	934,812	53,823,656	50,748,256	30,586,747	80,883,191
State Seminary Fund	1,651	1,102	787	787	213
State Seminary Money Fund	8	25,747	36,096	0	0
State Transportation Assistance Revolving Fund	102,818	505,129	1,566,262	75,218	N/A
State Transportation Fund	145,061	2,020,018	2,842,694	760,407	1,880,385

OFFICE OF STATE TREASURER
COMPARATIVE STATEMENT OF
"LIST OF BALANCES IN THE SEVERAL FUNDS"

(U N A U D I T E D)

	June 30,				
	2001	2000	1999	1998	1997
Statewide Court Automation Fund	1,814,858	1,193,445	1,745,479	2,255,074	2,819,870
Statutory Revision Fund	386,966	86,807	205,428	259,623	472,753
Stormwater Control - Series A 1999 - 37H	19,399,961	20,530,037	N/A	N/A	N/A
Stormwater Control - Series A 2001 - 37H	10,009,130	N/A	N/A	N/A	N/A
Stormwater Control Bond and Interest Series A 1999	1,604,148	1,557,350	N/A	N/A	N/A
Stormwater Control Bond and Interest Series A 2001	741,514	N/A	N/A	N/A	N/A
Student Grant Fund	414,586	341,708	332,316	233,781	N/A
Supreme Court - Federal and Other Fund	5,505,976	757,108	2,256,307	1,957,441	2,365,122
Supreme Court Publications Revolving Fund	59,569	78,856	123,808	55,495	164,475
Temporary Assistance for Needy Families - Federal Fund	774,573	2,302,232	1,683,056	9,207,324	N/A
Third Party Liability Collections Fund	504,633	175,871	N/A	N/A	N/A
Third State Building Bond Interest and Sinking - Pre Tax Act 1986	0	0	0	0	8,346,665
Third State Building Bond Interest and Sinking - Series A 1992	29,291,962	28,641,096	29,421,485	28,938,855	26,202,771
Third State Building Bond Interest and Sinking - Series A 1993	15,413,967	16,913,942	17,349,164	17,180,207	9,247,568
Third State Building Bond Interest and Sinking - Series A&B 1991	9,200,427	9,090,914	8,969,707	9,068,155	8,952,861
Third State Building Fund - Pre Tax Act 1986	0	534,694	987,552	926,596	1,527,368
Third State Building Trust Fund - Pre Tax Act 1986	113	33,940	1,575	335,363	1,004,688
Title XIX - Federal Fund	17,400,409	5,685,064	2,566,423	7,136,851	17,044,258
Title XIX - Patient Placement Fund	0	0	5,016,569	3,319,385	3,864,811
Tort Victims Compensation Fund	7,463,188	7,351,434	7,428,138	4,873,135	56,830
Tourism Marketing Fund	0	1,013	1,966	966	503
Treasurer's Information Fund	8,857	5,846	4,809	2,681	746
U.S. Department of Higher Education / Coordinating Board for Higher Education Interest Account Fund	2,052,239	1,511,025	1,031,332	N/A	N/A
U.S. Department of Higher Education / Coordinating Board for Higher Education Recall Account Fund	25,937,336	19,453,002	12,968,668	N/A	N/A
Uncompensated Care Fund	1,565,140	8,918,332	18,823,094	14,739,134	12,621,465
Underground Storage Tank Regulation Program Fund	621,766	594,576	595,891	455,758	37,428
Unemployment Compensation Administration Fund	897,666	814,832	1,140,482	1,126,469	1,026,091
Utilicare Stabilization Fund	22,478	20,920	31,998	N/A	N/A
Veterans' Homes Capital Improvement Fund	0	0	0	0	0
Veterans' Homes Capital Improvement Trust Fund	77,618,885	81,568,365	79,684,925	58,083,977	4,939,437
Veterans Trust Fund	465,478	439,447	412,256	380,257	348,061
Veterinary Medical Board Fund	583,998	730,634	665,422	583,004	564,802
Video Instructional Development and Education Opportunity Fund	528,876	98,546	769,992	1,984,912	2,225,407
Vocational Rehabilitation - Federal Fund	3,504,723	1,668,080	2,539,197	683,865	81,094
Water and Waste Water Loan Fund	1,927,022	418,801	898,398	1,178,862	541,002
Water and Waste Water Loan Revolving Fund	148,387,528	124,730,837	160,115,759	144,832,782	132,167,436
Water Pollution Control - Series A 1993 - 37C	0	0	0	0	0
Water Pollution Control - Series A 1995 - 37C	0	0	0	0	0
Water Pollution Control - Series A 1995 - 37E	0	0	0	0	0
Water Pollution Control - Series A 1996 - 37C	17,141	297,840	3,869,128	7,485,335	10,246,584
Water Pollution Control - Series A 1996 - 37E	0	10,596	66,554	9,555,983	18,843,900
Water Pollution Control - Series A 1998 - 37C	6,487,796	8,192,710	7,827,707	7,529,154	N/A
Water Pollution Control - Series A 1998 - 37E	12,566,183	22,796,830	28,802,973	27,582,241	N/A
Water Pollution Control - Series A 1999 - 37E	10,899,785	10,250,685	N/A	N/A	N/A
Water Pollution Control - Series A 1999 - 37G	10,385,103	10,279,352	N/A	N/A	N/A
Water Pollution Control - Series A 2001 - 37E	9,994,568	N/A	N/A	N/A	N/A
Water Pollution Control - Series A 2001 - 37G	10,023,676	N/A	N/A	N/A	N/A
Water Pollution Control Bond and Interest - Pre Tax Act 1986	0	0	0	664,322	3,208,841
Water Pollution Control Bond and Interest - Series A 1989	0	0	1,133,070	1,122,958	1,135,853
Water Pollution Control Bond and Interest - Series A 1991	1,121,495	1,176,469	1,215,692	1,103,703	1,122,456
Water Pollution Control Bond and Interest - Series A 1992	2,769,267	2,722,698	2,738,955	2,719,053	2,747,870
Water Pollution Control Bond and Interest - Series A 1993	2,228,643	2,191,673	2,213,339	2,198,539	2,225,274

Schedule 5

OFFICE OF STATE TREASURER
 COMPARATIVE STATEMENT OF
 "LIST OF BALANCES IN THE SEVERAL FUNDS"

(U N A U D I T E D)

	June 30,				
	2001	2000	1999	1998	1997
Water Pollution Control Bond and Interest - Series A 1995	2,442,358	2,407,652	2,433,225	2,406,415	2,408,933
Water Pollution Control Bond and Interest - Series A 1996	2,840,519	2,810,748	2,859,353	2,855,101	2,832,868
Water Pollution Control Bond and Interest - Series A 1998	2,663,337	2,644,958	2,647,523	2,545,962	N/A
Water Pollution Control Bond and Interest - Series A 2000	1,604,148	1,557,350	N/A	N/A	N/A
Water Pollution Control Bond and Interest - Series A 2001	1,483,154	N/A	N/A	N/A	N/A
Water Pollution Control Bond and Interest - Series B 1992	5,118,806	5,136,928	5,270,746	5,200,576	5,191,531
Water Pollution Control Bond and Interest - Series B 1993	9,584,721	9,940,292	8,946,427	8,871,613	6,571,647
Water Pollution Control Bond and Interest - Series B&C 1991	4,378,930	4,332,303	4,300,886	4,276,394	4,270,724
Wolfner Library Trust Fund	204,201	568,199	570,875	530,671	540,945
Workers' Compensation Fund	20,643,132	33,004,325	22,757,405	12,036,207	11,976,492
Workers Memorial Fund	250	N/A	N/A	N/A	N/A
Working Capital Revolving Fund	7,826,273	5,553,282	9,463,500	13,972,594	9,548,151
World War II Memorial Trust Fund	10,649	N/A	N/A	N/A	N/A
Youth Services and Conservation Corps Fund	0	0	0	0	121,054
Total All Funds (Schedule 4)	<u>\$ 2,936,493,487</u>	<u>3,089,659,693</u>	<u>3,472,343,788</u>	<u>3,728,569,598</u>	<u>3,571,689,002</u>

N/A These funds were closed or had not been created for the years indicated.

N/A-1 The assets of the Pansey Johnson-Travis Stocks and Securities Trust Fund were reclassified from cash to investments as a result of a change in the state's accounting system. This fund is no longer maintained by the State Treasurer on the cash activity reports.

The accompanying Notes to the Supplementary Data are an integral part of this statement.

Schedule 6

OFFICE OF STATE TREASURER
COMPARATIVE STATEMENT OF TRUST ACCOUNTS

	June 30,									
	2001		2000		1999		1998		1997	
	Balance	Amount Invested	Balance	Amount Invested	Balance	Amount Invested	Balance	Amount Invested	Balance	Amount Invested
220 South Jefferson Construction Fund	\$ 17,786	17,785	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Board of Public Buildings 2001A Cost of Issuance Fund	24,555	24,554	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Principal and Interest Fund	1,014,494	1,014,479	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Capitol East Parking Facility Depreciation and Replacement Fund	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	264,045	264,045
Operating Reserve Fund	0	0	7,154	7,154	6,762	6,762	195,832	195,830	211,389	211,389
Corrections and Mental Health Construction Fund	145,139	145,137	137,086	137,082	129,579	129,578	123,111	123,109	116,659	116,659
Enterprise Fund	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0	0
Department of Natural Resources Building Construction Fund	17,994,647	17,994,386	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Jefferson City Correctional Center Construction Fund	127,257,402	127,255,554	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Kansas City State Office Building Enterprise Fund	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0	0
Kirkpatrick State Information Center Construction Fund	48,381	48,381	45,697	45,695	43,195	43,194	83,261	83,261	215,564	215,564
Enterprise Fund	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0	0
Midtown State Office Building Enterprise Fund	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0	0
Old Age, Survivors, Disability, and Health Insurance Trust Fund	16,757	0	4,161	0	3,910	0	3,982	0	3,764	0
St. Joseph State Office Building Enterprise Fund	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0	0
Special Obligation Refunding Bond - Principal and Interest Fund	408,707	408,701	350,352	350,341	364,288	364,285	383,663	383,659	364,649	364,648
Depreciation and Replacement Fund	7,412,060	7,411,952	7,293,286	7,293,055	7,016,978	7,016,918	7,406,769	7,406,705	7,393,260	7,393,249
Bond Reserve Fund	105,889	105,888	105,794	105,790	105,280	105,279	105,988	105,987	108,576	108,576
Springfield State Office Building Enterprise Fund	N/A	N/A	N/A	N/A	N/A	N/A	344	344	7,902	7,901
State Building Special Obligation Bond 1988 Arbitrage Rebate Escrow Fund	134,602	134,600	127,133	127,129	120,172	120,171	114,173	114,172	107,931	107,931
Arbitrage Owed to IRS Escrow	8,527	8,527	8,054	8,054	7,613	7,613	7,232	7,233	6,838	6,838
Truman State Office Building Enterprise Fund	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0	0
Wainwright State Office Building Enterprise Fund	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0	0
Western Missouri Mental Health Center Construction Fund	21,350,433	21,350,123	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total Trust Accounts (Schedule 4)	\$ <u>175,939,379</u>	<u>175,920,067</u>	<u>8,078,717</u>	<u>8,074,300</u>	<u>7,797,777</u>	<u>7,793,800</u>	<u>8,424,355</u>	<u>8,420,300</u>	<u>8,800,577</u>	<u>8,796,800</u>

N/A These accounts were closed for the indicated fiscal years.

The accompanying Notes to the Supplementary Data are an integral part of this statement.

OFFICE OF STATE TREASURER
COMPARATIVE STATEMENT OF INTEREST RECEIVED ON POOLED INVESTMENTS
AND DISTRIBUTION BY FUND

		Year Ended June 30,				
		2001	2000	1999	1998	1997
INTEREST RECEIPTS						
General and special funds	\$	160,519,961	167,054,476	182,225,423	183,708,819	161,789,785
Debt retirement funds		6,938,831	5,518,366	6,368,513	5,434,788	5,428,457
Total Appropriated Funds		167,458,792	172,572,842	188,593,936	189,143,607	167,218,242
Trust funds		1,657,889	774,564	753,383	839,914	833,897
Total Interest Receipts	\$	169,116,681	173,347,406	189,347,319	189,983,521	168,052,139
INTEREST DISTRIBUTION						
General and special funds:						
Budget Reserve Fund	\$	8,498,480	N/A	N/A	N/A	N/A
General Revenue Fund		56,485,522	68,698,776	84,086,064	94,091,911	81,130,143
Budget Stabilization Fund		7,185,122	7,648,358	7,354,863	6,823,161	5,022,803
Cash Operating Reserve - General Revenue Fund		3,671,128	15,732,796	15,066,578	13,953,430	12,716,720
Abandoned Mine Reclamation Fund		43,212	37,033	32,134	26,361	20,743
Advantage Missouri Trust Fund		N/A	4	N/A	N/A	N/A
Agricultural Development Fund		2,481	1,950	1,369	N/A	N/A
Agricultural Product Utilization Business Development						
Loan Guarantee Fund		42	512	N/A	N/A	N/A
Agricultural Product Utilization Grant Fund		13,983	24,189	9,079	N/A	N/A
Alternative Care Trust Fund		120,348	98,451	102,488	112,992	114,643
Animal Health Laboratory Fee Fund		15,295	12,410	10,045	8,071	5,024
Assistive Technology Loan Revolving Fund		4,704	N/A	N/A	N/A	N/A
Aviation Trust Fund		413,236	193,313	39,855	23,194	31,582
Bingo Proceeds for Education Fund		398,335	455,212	484,669	376,030	301,401
Champ W. Smith & Mary C. Smith Memorial						
Endowment Trust Fund		24,679	21,750	21,268	21,062	20,330
Chemical Emergency Preparedness Fund		33,753	34,255	34,853	37,867	44,551
Children's Trust Fund		269,732	226,783	191,699	190,859	163,947
Coal Mine Land Reclamation Fund		52,498	46,677	46,167	85,440	125,046
Concentrated Animal Feeding Operation Indemnity Fund		7,719	4,007	1,431	208	N/A
Confederate Memorial Park Fund		7,508	6,609	6,347	5,940	5,455
Conservation Commission Fund		1,835,420	1,863,046	998,586	860,371	1,480,048
Correctional Substance Abuse Earnings Fund		6,499	1,774	60	N/A	N/A
Crime Victims' Compensation Fund		504,776	457,167	431,106	440,785	479,970
Deaf Relay Service Fund		445,269	383,614	341,344	302,946	236,182
Debt Offset Escrow Fund		694,473	347,290	84,693	48,992	47,867
Department of Insurance Dedicated Fund		573,653	505,799	482,642	445,085	399,110
Department of Labor and Industrial Relations - Administrative Fund		81,798	N/A	N/A	N/A	N/A
Department of Public Safety - JAIBG Fund		410,141	268,805	45,964	N/A	N/A
Division of Credit Unions Fund		32,580	27,169	22,649	19,621	15,532
Division of Finance Fund		149,242	174,099	165,199	155,071	127,405
Division of Savings and Loan Supervision Fund		2,736	2,959	3,023	3,263	3,129
Doctor Edmund A. Babler Memorial - State						
Park Fund		55,850	53,063	53,686	48,822	42,687
Dry-Cleaning Environmental Response Trust Fund		1,190	N/A	N/A	N/A	N/A
Early Childhood Development, Education and Care Fund		2,544,431	1,393,287	62,048	N/A	N/A
Endowed Care Cemetery Audit Fund		13,403	13,168	15,114	24,190	22,695
Energy Set-Aside Program Fund		793,938	918,409	1,097,527	1,004,715	613,123
Escheats Fund		370,242	328,536	318,966	306,688	296,100
Excellence in Education Fund		66,740	68,469	86,306	99,990	100,955
Facilities Maintenance Reserve Fund		2,082,512	819,689	240,483	95,631	N/A
Federal Drug Seizure Fund		234,053	210,737	91,955	39,778	21,240
Federal Reimbursement Allowance Fund		1,971,467	2,546,242	1,878,471	2,033,464	2,990,570
Federal Student Loan Reserve Fund		2,026,473	1,256,553	N/A	N/A	N/A
Federal Surplus Property Fund		102,018	101,589	88,924	77,499	71,862
Fourth State Building - Series A 1995		N/A	N/A	N/A	N/A	1,391,386
Fourth State Building - Series A 1996		N/A	N/A	809,357	4,050,880	4,803,635
Fourth State Building - Series A 1998		1,215,143	1,090,474	2,026,578	237	N/A
Gaming Commission Bingo Fund		1,221	7,366	5,657	9,319	6,440
Gaming Commission Fund		454,173	893,425	2,514,757	2,498,117	1,717,827

OFFICE OF STATE TREASURER
COMPARATIVE STATEMENT OF INTEREST RECEIVED ON POOLED INVESTMENTS
AND DISTRIBUTION BY FUND

	Year Ended June 30,				
	2001	2000	1999	1998	1997
Gaming Proceeds for Education Fund	516,975	449,122	536,099	469,961	1,776,184
Grain Inspection Fees Fund	26,362	29,528	38,245	43,886	36,551
Guaranty Agency Operating Fund	496,423	410,701	N/A	N/A	N/A
Hazardous Waste Fund	53,787	35,812	17,686	9,069	9,027
Hazardous Waste Remedial Fund	191,943	230,387	222,696	270,730	268,879
Historic Preservation Revolving Fund	36,726	31,123	14,957	15,962	16,592
Industrial/Commercial Energy Conservation Loan Fund	N/A	N/A	N/A	N/A	136,145
Kid's Chance Scholarship Fund	4,517	1,193	N/A	N/A	N/A
Legal Defense and Defender Fund	23,044	24,304	22,018	7,790	13,694
Library Networking Fund	38,340	26,789	N/A	N/A	N/A
Livestock Dealer Law Enforcement and Administration Fund	287	294	338	343	246
Local Government Energy Conservation Loan Fund	N/A	N/A	N/A	N/A	143,099
Mental Health Earnings Fund	45,890	46,258	47,645	60,126	236,692
Mental Health Housing Trust Fund	270	237	195	176	19
Mental Health Trust Fund	302,079	272,979	235,691	207,383	217,976
Meramec-Onondaga State Parks Fund	60,295	53,940	52,744	50,259	46,948
Metallic Minerals Waste Management Fund	12,329	11,845	11,653	11,608	10,642
Mined Land Reclamation Fund	233,742	215,966	204,581	157,130	68,159
Missouri Air Emission Reduction Fund	47,568	408	N/A	N/A	N/A
Missouri Air Pollution Control Fund	40,029	70,065	61,734	53,451	44,671
Missouri Arts Council Trust Fund	721,500	680,943	868,759	646,287	360,162
Missouri Breeders Fund	4,583	4,175	4,119	3,976	3,732
Missouri Children's Service Commission Fund	1,016	899	861	858	746
Missouri College Guarantee Fund	521,411	272,549	8,033	N/A	N/A
Missouri Horse Racing Fund	0	9	0	0	0
Missouri Housing Trust Fund	144,045	160,474	149,636	158,958	131,669
Missouri Humanities Council Trust Fund	71,314	48,541	18,909	10,445	6,687
Missouri National Guard Trust Fund	256,369	148,916	11,183	N/A	N/A
Missouri Office of Prosecution Services Fund	3,935	2,511	N/A	N/A	N/A
Missouri Veterans Homes Fund	78,750	98,118	113,160	170,644	192,155
Motor Fuel Tax Fund	1,446,659	1,713,277	2,155,315	3,536,397	0
Natural Resources Protection Fund	34,067	28,387	11,326	21,753	30,124
Natural Resources Protection Fund - Air Pollution Asbestos Fee Subaccount Fund	66,463	68,139	49,590	53,928	46,205
Natural Resources Protection Fund - Air Pollution Permit Fee Subaccount Fund	723,396	811,157	934,057	896,414	800,008
Natural Resources Protection Fund - Water Pollution Permit Fee Subaccount Fund	603,981	534,938	407,488	278,843	198,261
Nursing Facility Federal Reimbursement Allowance Fund	425,618	399,036	N/A	N/A	N/A
Nursing Facility Quality of Care Fund	138,287	112,611	167,637	135,845	83,198
Outstanding Schools Trust Fund	11,922,416	15,741,639	19,830,070	18,753,652	14,204,300
Pansey Johnson-Travis Memorial State Gardens Trust Fund	1,574	30,576	43,161	40,209	36,818
Peace Officers Standards and Training Commission Fund	51,502	55,144	38,838	25,035	22,570
Petroleum Inspection Fund	138,571	77,526	95,179	97,190	83,740
Petroleum Storage Tank Insurance Fund	2,654,173	2,993,555	3,178,749	2,706,826	1,997,607
Petroleum Violation Escrow Fund	1,153,353	1,154,344	1,199,858	1,255,124	1,227,621
Pharmacy Rebate Fund	N/A	0	N/A	N/A	N/A
Post-Closure Fund	9,895	13,428	14,645	45,676	N/A
Property Reuse Fund	231,002	184,427	188,312	181,324	107,322
Residential Mortgage Licensing Fund	37,204	29,486	23,427	16,669	1,538
Safe Drinking Water Fund	245,459	219,729	215,352	191,367	174,745
School Building Revolving Fund	96,233	32,909	874	N/A	N/A
School District Trust Fund	2,969,719	2,679,222	2,584,864	2,484,889	2,236,969
Second Injury Fund	1,120,103	700,762	359,716	651,105	1,653,827

Schedule 7

OFFICE OF STATE TREASURER
COMPARATIVE STATEMENT OF INTEREST RECEIVED ON POOLED INVESTMENTS
AND DISTRIBUTION BY FUND

	Year Ended June 30,				
	2001	2000	1999	1998	1997
Secretary of State Institutional Gift Trust Fund	25,035	37,454	46,963	53,653	55,081
Secretary of State - Technology Trust Fund Account Fund	202,991	145,813	125,392	113,276	118,030
Single-Purpose Animal Facilities Loan Program Fund	24,508	21,292	18,364	14,154	5,271
Soil and Water Sales Tax Fund	1,108,203	840,181	694,499	717,272	1,184,943
State Document Preservation Fund	2,618	2,209	1,371	1,089	38
State Fair Fees Fund	10,546	N/A	N/A	N/A	N/A
State Guaranty Student Loan Fund	N/A	865,524	2,010,473	2,646,123	2,436,421
State Highways and Transportation Department Fund	2,134,368	1,457,149	1,349,440	862,693	543,604
State Lottery Fund	1,315,167	1,344,455	1,314,027	845,562	963,241
State Park Sales Tax Fund	938,113	971,069	1,006,782	1,046,845	1,076,417
State Road Fund	5,406,237	5,213,566	5,730,039	4,628,340	5,076,291
State Road Fund - Series A 2000	5,559,632				
State Transportation Assistance Revolving Fund	32,603	64,185	23,333	212	N/A
Stormwater Control - Series A 1999 - 37H	1,263,401	549,027	N/A	N/A	N/A
Stormwater Control - Series A 2001 - 37H	264	N/A	N/A	N/A	N/A
Third State Building Fund - Pre Tax Act 1986	18,160	50,402	70,179	120,177	199,935
U.S. Department of Higher Education/ Coordinating Board for Higher Education Interest Account Fund	1,315,570	856,960	950,650	N/A	N/A
Utilicare Stabilization Fund	14,681	15,189	5,731	N/A	N/A
Veterans' Homes Capital Improvement Fund	N/A	N/A	N/A	N/A	47,801
Veterans' Homes Capital Improvement Trust Fund	4,929,627	4,395,379	3,233,103	1,391,613	275,570
Veterans Trust Fund	25,965	22,401	21,303	19,191	17,038
Water and Waste Water Loan Fund	100,155	95,765	82,566	56,048	62,319
Water and Waste Water Loan Revolving Fund	9,285,088	8,264,904	8,954,944	7,187,534	6,161,659
Water Pollution Control - Series A 1993 - 37C	N/A	N/A	N/A	N/A	34,581
Water Pollution Control - Series A 1995 - 37C	N/A	N/A	N/A	N/A	112,250
Water Pollution Control - Series A 1995 - 37E	N/A	N/A	N/A	N/A	313,244
Water Pollution Control - Series A 1996 - 37C	17,337	123,837	385,688	484,911	502,103
Water Pollution Control - Series A 1996 - 37E	692	27,055	476,226	880,504	844,571
Water Pollution Control - Series A 1998 - 37C	503,606	394,257	331,862	36	N/A
Water Pollution Control - Series A 1998 - 37E	1,330,702	1,327,699	1,220,809	130	N/A
Water Pollution Control - Series A 1999 - 37E	647,581	274,217	N/A	N/A	N/A
Water Pollution Control - Series A 1999 - 37G	646,705	274,810	N/A	N/A	N/A
Water Pollution Control - Series A 2001 - 37E	475	N/A	N/A	N/A	N/A
Water Pollution Control - Series A 2001 - 37G	53	N/A	N/A	N/A	N/A
Wolfner Library Trust Fund	15,742	30,941	30,533	18,088	N/A
Workers' Compensation Fund	1,723,560	1,504,544	647,742	578,090	563,698
Workers Memorial Fund	0	N/A	N/A	N/A	N/A
World War II Memorial Trust Fund	154	N/A	N/A	N/A	N/A
Total General and Special Funds	160,519,961	167,054,476	182,225,423	183,708,819	161,789,785
Debt retirement funds:					
Fourth State Building Bond and Interest - Series A 1995	381,556	297,005	357,726	311,714	322,451
Fourth State Building Bond and Interest - Series A 1996	637,840	497,128	603,493	526,591	372,751
Fourth State Building Bond and Interest - Series A 1998	242,752	188,227	159,749	9	N/A
Stormwater Control Bond and Interest- Series A 1999	97,635	42,222	N/A	N/A	N/A
Stormwater Control Bond and Interest- Series A 2001	42	N/A	N/A	N/A	N/A
Third State Building Bond Interest and Sinking - Pre Tax Act 1986	N/A	N/A	N/A	8,298	646,518
Third State Building Bond Interest and Sinking - Series A 1992	1,839,931	1,424,450	1,738,890	1,456,912	1,254,351

Schedule 7

OFFICE OF STATE TREASURER
COMPARATIVE STATEMENT OF INTEREST RECEIVED ON POOLED INVESTMENTS
AND DISTRIBUTION BY FUND

	Year Ended June 30,				
	2001	2000	1999	1998	1997
Third State Building Bond Interest and Sinking - Series A 1993	1,007,339	840,599	1,026,372	756,003	496,347
Third State Building Bond Interest and Sinking - Series A&B 1991	547,936	503,752	515,075	674,779	483,718
Water Pollution Control Bond and Interest - Pre Tax Act 1986	N/A	N/A	32,919	125,400	395,046
Water Pollution Control Bond and Interest - Series A 1989	N/A	0	67,823	59,432	62,204
Water Pollution Control Bond and Interest - Series A 1991	72,971	79,122	67,228	58,239	61,186
Water Pollution Control Bond and Interest - Series A 1992	173,496	134,233	161,759	141,689	148,120
Water Pollution Control Bond and Interest - Series A 1993	139,759	108,219	130,887	114,512	120,046
Water Pollution Control Bond and Interest - Series A 1995	152,831	118,834	143,096	124,739	128,950
Water Pollution Control Bond and Interest - Series A 1996	178,303	139,016	169,018	147,390	104,408
Water Pollution Control Bond and Interest - Series A 1998	169,973	131,843	111,824	6	N/A
Water Pollution Control Bond and Interest - Series A 2000	97,635	42,222	N/A	N/A	N/A
Water Pollution Control Bond and Interest - Series A 2001	84	N/A	N/A	N/A	N/A
Water Pollution Control Bond and Interest - Series B 1992	324,285	255,383	311,930	270,072	247,412
Water Pollution Control Bond and Interest - Series B 1993	611,952	475,490	528,406	420,455	352,439
Water Pollution Control Bond and Interest - Series B&C 1991	262,511	240,621	242,318	238,548	232,510
Total Debt Retirement Funds	6,938,831	5,518,366	6,368,513	5,434,788	5,428,457
Total Appropriated Funds	167,458,792	172,572,842	188,593,936	189,143,607	167,218,242
Trust funds:					
220 South Jefferson Construction Fund	17,786	N/A	N/A	N/A	N/A
Board of Public Buildings 2001A Cost of Issuance Fund	479	N/A	N/A	N/A	N/A
Principal and Interest Fund	7,931	N/A	N/A	N/A	N/A
Capitol East Parking Facility Depreciation and Replacement Fund	N/A	N/A	N/A	9,192	14,045
Capitol East Parking Facility Operating Reserve Fund	145	392	5,517	11,640	11,389
Corrections and Mental Health Construction Fund	8,099	7,507	6,469	6,739	6,703
Corrections and Mental Health Enterprise Fund	N/A	N/A	N/A	N/A	5,252
Department of Natural Resources Building Construction Fund	84,648	N/A	N/A	N/A	N/A
Jefferson City Correctional Center Construction Fund	597,402	N/A	N/A	N/A	N/A
Kansas City State Office Building Enterprise Fund	N/A	N/A	N/A	N/A	2,578
Kirkpatrick State Information Center Construction Fund	2,700	2,502	2,622	9,286	12,296
Kirkpatrick State Information Center Enterprise Fund	N/A	N/A	N/A	N/A	1,658
Midtown State Office Building Enterprise Fund	N/A	N/A	N/A	N/A	537
Special Obligation Refunding Bond - Bond Reserve Fund	5,923	5,794	5,280	5,988	8,576
Special Obligation Refunding Bond - Depreciation and Replacement Fund	414,396	400,615	362,829	406,769	393,260
Special Obligation Refunding Bond - Principal and Interest Fund	409,960	350,352	364,287	383,663	364,649
Springfield State Office Building Enterprise Fund	N/A	N/A	N/A	N/A	497

Schedule 7

OFFICE OF STATE TREASURER
 COMPARATIVE STATEMENT OF INTEREST RECEIVED ON POOLED INVESTMENTS
 AND DISTRIBUTION BY FUND

	Year Ended June 30,				
	2001	2000	1999	1998	1997
State Building Special Obligation Bond 1988					
Arbitrage Rebate Escrow Fund	7,511	6,961	5,999	6,242	5,781
Arbitrage Owed to IRS Escrow	476	441	380	395	362
St. Joseph State Office Building					
Enterprise Fund	N/A	N/A	N/A	N/A	1,292
Truman State Office Building Enterprise Fund	N/A	N/A	N/A	N/A	4,462
Wainwright State Office Building Enterprise Fund	N/A	N/A	N/A	N/A	560
Western Missouri Mental Health Center					
Construction Fund	100,433	N/A	N/A	N/A	N/A
Total Trust Funds	<u>1,657,889</u>	<u>774,564</u>	<u>753,383</u>	<u>839,914</u>	<u>833,897</u>
Total Distribution	\$ <u>169,116,681</u>	<u>173,347,406</u>	<u>189,347,319</u>	<u>189,983,521</u>	<u>168,052,139</u>

N/A These funds did not receive interest for the years indicated due to the fund not being established at the time, or due to the lack of legislation that would require the interest to remain in the fund.

The accompanying Notes to the Supplementary Data are an integral part of this statement.

Schedule 8

OFFICE OF STATE TREASURER
ANALYSIS OF INVESTMENTS
APPROPRIATED FUNDS

		Year Ended June 30,									
		2001		2000		1999		1998		1997	
		Average Daily Balances	Investment Earnings	Average Daily Balances	Investment Earnings	Average Daily Balances	Investment Earnings	Average Daily Balances	Investment Earnings	Average Daily Balances	Investment Earnings
INVESTMENTS											
Pooled Investments:											
Time deposits	\$	502,012,599	26,056,824	436,504,326	17,530,732	449,465,898	21,330,976	435,724,377	20,775,864	432,685,370	20,962,339
U.S. government securities, commercial paper, and repurchase agreements		2,318,385,855	141,401,968	2,793,120,677	155,042,110	2,932,164,153	167,262,960	3,105,448,004	168,367,743	2,865,324,055	146,255,903
Total Pooled Investments		2,820,398,454	167,458,792	3,229,625,003	172,572,842	3,381,630,051	188,593,936	3,541,172,381	189,143,607	3,298,009,425	167,218,242
Special Fund Direct Investments:											
U.S. government securities		16,500,809	826,368	15,682,796	956,269	5,000	688	5,000	688	5,000	688
Donated corporate stock		5,130	624	5,130	581	5,130	509	5,130	432	5,130	362
Total Special Fund Direct Investments		16,505,939	826,992	15,687,926	956,850	10,130	1,197	10,130	1,120	10,130	1,050
Total Invested Balance	\$	2,836,904,393	168,285,784	3,245,312,929	173,529,692	3,381,640,181	188,595,133	3,541,182,511	189,144,727	3,298,019,555	167,219,292
Total fund balance excluding collection, concentration, and restricted balance accounts	\$	2,680,383,903		3,113,762,871		3,234,401,797		3,416,907,704		3,197,423,958	
Collection and concentration accounts		558,047		1,614,720		7,360,797		6,268,682		6,202,391	
Restricted balance accounts		19,112,493		15,080,383		19,251,318		16,104,141		13,947,824	
Total Fund Balance Including Collection, Concentration, and Restricted Balance Accounts	\$	2,700,054,443		3,130,457,974		3,261,013,912		3,439,280,527		3,217,574,173	
PERCENTAGE OF FUND BALANCE IN INVESTMENTS											
Excluding collection, concentration, and restricted balance accounts		105.84%		104.22%		104.55%		103.64%		103.15%	
Including collection, concentration, and restricted balance accounts		105.07%		103.67%		103.70%		102.96%		102.50%	
INVESTMENT YIELD											
Time deposits			5.19%		4.02%		4.75%		4.77%		4.84%
U.S. government securities, commercial paper, and repurchase agreements			6.09%		5.55%		5.70%		5.42%		5.10%
Donated corporate stock investments			12.16%		11.33%		9.92%		8.42%		7.06%
Average investment yield			5.93%		5.35%		5.58%		5.34%		5.07%

The accompanying Notes to the Supplementary Data are an integral part of this statement.

Notes to the Financial Statements and Supplementary Data

OFFICE OF STATE TREASURER
NOTES TO THE FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

Notes to the Financial Statements:

1. Summary of Significant Accounting Policies

A. Reporting Entity and Basis of Presentation

The accompanying special-purpose financial statements present only selected data for each fund of the Office of State Treasurer.

The Central Check Mailing Service Revolving Fund, presented in Exhibits A through C, is a separate accounting entity, recording all assets, liabilities, equities, revenues, and expenses related to the fund's activities.

Expenses presented for the fund or any program may not reflect the total cost of the related activity. Other direct and indirect costs provided by the office and other state agencies are not allocated to the fund or applicable program.

Receipts, disbursements, and changes in cash and investments are presented in Exhibit D for the Abandoned Fund Account Fund and the Treasurer's Information Fund. Appropriations from these funds are expended by or for the office for restricted purposes.

Appropriations, presented in Exhibit E, are not separate accounting entities. They do not record the assets, liabilities, and equities of the related funds but are used only to account for and control the office's expenditures from amounts appropriated by the General Assembly.

Expenditures presented for each appropriation may not reflect the total cost of the related activity. Other direct and indirect costs provided by the office and other state agencies are not allocated to the applicable fund or program.

B. Basis of Accounting

The financial statements for the Central Check Mailing Service Revolving Fund, Exhibits A through C, are prepared in conformity with generally accepted accounting principles. The statements are presented on the accrual basis of accounting which recognizes revenues when earned and expenses when the related liabilities are incurred.

Fixed assets (equipment) of the Central Check Mailing Service Revolving Fund are recorded at cost and depreciated on a straight-line basis with a useful life of ten years and no salvage value.

The Statement of Receipts, Disbursements, and Changes in Cash and Investments, Exhibit D, prepared on the cash basis of accounting, presents amounts when they are received or disbursed.

The Statement of Appropriations and Expenditures, Exhibit E, is presented on the state's legal budgetary basis of accounting. For the year ended June 30, 2000, expenditures include amounts payable or encumbered at June 30 and paid during the lapse period, which ended August 31. The authority to expend appropriations ended with the close of the lapse period. For years ended on or after June 30, 2001, expenditures generally consist of amounts paid by June 30, with no provision for lapse period expenditures unless the Office of Administration approves an exception. Amounts encumbered at June 30 must be either canceled or paid from the next year's appropriations.

However, both before and after June 30, 2000, the General Assembly may authorize continuous (biennial) appropriations, for which the unexpended balances at June 30 of the first year of the two-year period are reappropriated for expenditure during the second year. Therefore, such appropriations have no lapsed balances at the end of the first year.

The cash basis of accounting and the budgetary basis of accounting differ from generally accepted accounting principles, which require revenues to be recognized when they become available and measurable or when they are earned and expenditures or expenses to be recognized when the related liabilities are incurred.

C. Fiscal Authority and Responsibility

The office administers transactions in the funds listed below. The state treasurer as fund custodian and the Office of Administration provide administrative control over fund resources within the authority prescribed by the General Assembly.

Central Check Mailing Service Revolving Fund: The office receives appropriations from this fund and maintains a proprietary interest in the fund. The State Treasurer is administrator and custodian of the fund and receives funds paid or transferred to the office by state agencies for centralized check mailing services. The initial funding for this fund was provided by a transfer of \$50,000 from the General Revenue Fund-State on October 23, 1978. Appropriations from the fund are used for check mailing service expenses.

Abandoned Fund Account Fund: This fund receives monies from banking or financial institutions, business associations, insurance corporations, utilities, courts and other governmental entities, and proceeds from the sale of abandoned property representing abandoned or unclaimed funds.

This fund is established and governed under Section 447.543.2, RSMo Supp. 2001. Under Sections 447.500 through 447.595, RSMo Supp. 2001, various financial, business, and governmental entities, unless otherwise exempted, are to remit to the State Treasurer all funds which have been presumed abandoned or unclaimed for the required dormancy period, less any reasonable costs of complying with the law incurred during the required notification or report process. The State Treasurer is to deposit these funds in the Abandoned Fund Account Fund. Claims may be filed at any time and are paid upon proof of an approved claim. At any time when the balance of the fund exceeds one-twelfth of the previous fiscal year's total disbursements from the Abandoned Fund Account Fund, the State Treasurer may, and at least once every fiscal year shall, transfer to the state's General Revenue Fund the balance of the Abandoned Fund Account Fund which exceeds one-twelfth of the previous fiscal year's total disbursements from the Abandoned Fund Account Fund. If any claim or refund reduces the balance of the fund to less than one-twenty-fourth of the previous fiscal year's total disbursements from the Abandoned Fund Account Fund, the State Treasurer shall transfer from the state's General Revenue Fund an amount which is sufficient to restore the balance to one-twelfth of the previous fiscal year's total disbursements from the Abandoned Fund Account Fund. Appropriations from this fund authorize disbursements for the payment of claims of abandoned funds.

Treasurer's Information Fund: The office receives appropriations from this fund and maintains a proprietary interest in the fund. This fund, established by Section 30.610, RSMo Supp. 2001, may receive monies from governmental entities or the general public for the preparation, reproduction, or dissemination of information or publications of the State Treasurer. Appropriations from this fund shall be used to pay for personal service, equipment and other expenses of the office necessary for the preparation, reproduction, or dissemination of information or publications of the State Treasurer.

General Revenue Fund-State: The office receives appropriations from this fund and does not maintain a proprietary interest in the fund. Appropriations from the fund are used for the basic operation of the office, including those programs and services that have no other funding source. These appropriations also may be used to initially fund, or to provide matching funds or support for, programs paid wholly or partially from other sources.

State Highways and Transportation Department Fund: The office receives appropriations from this fund and does not maintain a proprietary interest in the fund. Appropriations from the fund are used for that portion of the basic operation of the office which relates to the administration of highway department funds.

Second Injury Fund: The office receives appropriations from this fund and does not maintain a proprietary interest in the fund. Appropriations from the fund are used for that portion of basic operations which relate to the administration of Second Injury Fund claims.

D. Employee Fringe Benefits

In addition to the social security system, employees are covered by the Missouri State Employees' Retirement System (MOSERS) (a noncontributory plan) and may participate in the state's health care, optional life insurance, deferred compensation, and cafeteria plans. The optional life insurance and cafeteria plans involve only employee contributions or payroll reductions. Also, the deferred compensation plan involves employee payroll deferrals and a monthly state matching contribution for each participating employee.

The state's required contributions for employee fringe benefits are paid from the same funds as the related payrolls. Those contributions are for MOSERS (retirement, basic life insurance, and long-term disability benefits); social security and medicare taxes; health care premiums; and the deferred compensation plan match.

Transfers related to salaries are not appropriated by agency and thus are not presented in the financial statements at Exhibit E.

2. Cash and Investments

The balances of the Central Check Mailing Service Revolving Fund, Abandoned Fund Account Fund, and Treasurer's Information Fund are pooled with other state funds and invested by the state treasurer.

3. Reconciliation of Total Disbursements to Appropriated Expenditures

Disbursements on Exhibit D reconcile to appropriated expenditures on Exhibit E as follows:

		Year Ended June 30,			
		2001		2000	
		Abandoned Fund Account Fund	Treasurer's Information Fund	Abandoned Fund Account Fund	Treasurer's Information Fund
DISBURSEMENTS PER EXHIBIT D	\$	11,018,652	439	8,175,746	1,482
Lapse period expenditures:					
2001		(93)	0	0	0
2000		(117,649)	0	117,649	0
1999		0	0	(121,823)	0
Accounts Payable, June 30:					
2001		0	0	0	0
2000		(213,010)	0	213,010	0
1999		0	0	(56,077)	0
EXPENDITURES PER EXHIBIT E	\$	10,687,900	439	8,328,505	1,482

Notes to the Supplementary Data:

4. General Fixed Assets

General fixed assets, which are recorded as expenditures when acquired, are capitalized at cost in the General Fixed Assets Account Group and are not depreciated.

5. Basis of Presentation

The amounts presented in Schedules 4 through 8 represent all funds in the state treasury and all trust funds in the custody of the State Treasurer.

State treasury funds are subjected to appropriation; trust funds are not. The schedules do not include any funds or investments that are not in the custody of the State Treasurer.

6. Cash and Investments

Article IV, Section 15 of the Missouri Constitution establishes the State Treasurer as custodian of all state funds and funds received from the U. S. government. This section further authorizes the State Treasurer to place all such monies on time deposit, bearing interest, in Missouri banking institutions selected by the State Treasurer and approved by the Governor and the State Auditor, or in obligations of the U. S. government or any agency or instrumentality thereof maturing or becoming payable not more than five years from the date of purchase. In addition, the State Treasurer may enter into repurchase agreements maturing and becoming payable within ninety days secured by U. S. Treasury obligations or obligations of U. S. government agencies or instrumentalities of any maturity, as provided by law. The State Treasurer may also invest in banker's acceptances issued by domestic commercial banks possessing the highest rating issued by a nationally recognized rating

agency and in commercial paper, issued by domestic corporations, which has received the highest rating issued by a nationally recognized rating agency. Investments in banker's acceptances and commercial paper shall mature and become payable not more than one hundred eighty days from the date of purchase, maintain the highest rating throughout the duration of the investment and meet any other requirements provided by law. The State Treasurer shall prepare, maintain, and adhere to a written investment policy which shall include an asset allocation plan limiting the total amount of state money which may be invested in each investment category authorized by law.

Deposits

The State Treasurer maintains approximately 1,300 bank accounts throughout the state. These accounts include time deposits, collection accounts which are demand deposit accounts for various state agencies, and the state's primary operating accounts which are also demand deposit accounts. Cash balances in the state's operating accounts which are not needed for immediate use are invested.

The State Treasurer's deposits at June 30, 2001, were entirely covered by federal depository insurance or by collateral securities held by the custodial banks in the State Treasurer's name.

To protect the safety of state deposits, Sections 30.270 and 110.020, RSMo Supp. 2001, require depositories to pledge collateral securities to secure deposits not insured by the Federal Deposit Insurance Corporation.

Investments

The State Treasurer's investments at June 30, 2001, are listed by type below to give an indication of the level of risk assumed by the state at year-end. All investments are insured or registered, or have collateral held by the State Treasurer or a custodial bank in the state's name.

	Reported Amount	Fair Value
Repurchase agreements	\$ 452,263,600	452,263,600
U.S. government securities	1,501,290,082	1,506,394,565
Commercial paper	873,037,428	873,037,428
Other investments	5,130	27,830
Total Investments	\$ 2,826,596,240	2,831,723,423

Investments are recorded at acquisition cost except "other" investments which are recorded at par. Investments in repurchase agreements are acquired at face value and earn a stated interest rate. Investments in U.S. government securities are acquired at fair value and mature at face value.

7. Demand Deposit and Collection Accounts

The demand deposits with Firststar (formerly Mercantile) Bank on Schedule 4 consist of twenty-three central demand accounts at June 30, 2001, and one at June 30, 2000, 1999, and 1998. The demand deposits with Central Bank consist of twelve central demand accounts at June 30, 2001, ten at June 30, 2000, and 1999 and seven at June 30, 1998, and 1997. The demand deposits with Premier Bank consist of two central demand accounts at June 30, 2001. Demand deposit bank balances were \$31,142,804, \$19,908,388, \$18,081,868, and \$28,187,539 at June 30, 2001, 2000, 1999, and 1998 for Firststar Bank and \$19,826,746, \$33,776,593, \$19,038,051, \$10,964,342, and \$46,307,047 at June 30, 2001, 2000, 1999, 1998, and 1997 for Central Bank and \$23,729 at June 30, 2001 at Premier Bank.

The collection bank accounts on Schedule 4 consist of three master concentration accounts and their related collection accounts. The General Concentration and Conservation Concentration Accounts were at Central Bank at June 30, 2001, 2000, 1999, 1998, and 1997. The Lottery Concentration Account was at Firststar Bank at June 30, 2001 and at Central Bank at June 30, 2000, 1999, 1998, and 1997. Collection account bank balances were approximately \$985,789, \$873,732, \$13,535,495, \$11,603,497, and \$12,484,709 at June 30, 2001, 2000, 1999, 1998, and 1997 for Central Bank and \$0 at June 30, 2001 for Firststar Bank.

Banking service agreements on the central demand accounts allow the State Treasurer to invest outstanding checks up until the checks clear the bank, thereby investing an amount in excess of book balances. The negative balances at June 30 (Schedule 4) for the appropriated funds demand deposits represent the book balance net of amounts invested.

8. Special Fund Dedicated Investments

Due to a change in the state's accounting system, as of July 1, 1999, the State Treasurer was assigned the authority for recording direct investments of special funds in the accounting system. The amounts presented as special fund dedicated investments in the appropriated funds on Schedule 4 represent specific investments made or held by the State Treasurer on behalf of the Pansey Johnson-Travis Memorial State Gardens Trust Fund and the State Public School Fund. The State Treasurer is responsible for purchasing, custodial, income collection and distribution, and record-keeping duties related to the investments of these funds.

The investments of the Pansey Johnson-Travis Memorial State Gardens Trust Fund are maintained in the instruments which were transferred to the State Treasurer from the previous trustee of the fund. The investment purchases for the State Public School Fund are made in accordance with the instructions of the State Public School Fund investment committee.

Prior to July 1, 1999, the investments of the Pansey Johnson-Travis Memorial State Gardens were recorded as a cash asset in the state's accounting system. Prior to July 1, 1999, the investments of the Public School Fund were not recorded in the state's accounting system and the State Treasurer's duties related to these investments were limited to holding the investments on behalf of the fund.

9. Investments of Other Agencies

Schedules 7 and 8 do not include those funds which are invested directly by other agencies; e.g., the Agricultural Development Fund, the Department of Revenue non-state (local) funds, and the State Seminary Fund. The State Treasurer does not have investment authority for these funds and is not responsible for the efficiency of the investment of these funds or for the collection and distribution of the interest income.

10. Amount and Yield on Investment Earnings

The amount and yield on investment earnings on Schedule 8 are presented on a cash basis. However, approximate accrued amounts were \$29,198,570, \$38,271,000, \$36,028,000, \$44,990,000, and \$39,100,000 at June 30, 2001, 2000, 1999, 1998, and 1997, respectively, giving approximate yield rates of 5.61 percent, 5.41 percent, 5.31 percent, 5.51 percent, and 5.37 percent for the same corresponding periods on an accrual basis.

MANAGEMENT ADVISORY REPORT SECTION

Management Advisory Report -
State Auditor's Findings

OFFICE OF STATE TREASURER
MANAGEMENT ADVISORY REPORT -
STATE AUDITOR'S FINDINGS

We have audited the special-purpose financial statements of the Office of State Treasurer as of and for the year ended June 30, 2001, and have issued our report thereon dated January 25, 2002.

During our audit, we identified certain management practices which we believe could be improved. Our audit was not designed to be a detailed study of every system, procedure, and transaction. Accordingly, the findings presented in the following Management Advisory Report should not be considered all-inclusive of areas needing improvement.

1.	Software Development and Utilization
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The State Treasurer's Office (STO) expended over \$374,000 since March 1999 for two computer software systems. However, these systems were not implemented or utilized in a timely manner by the STO. Our review noted the following concerns.

- A. The STO contracted with a computer programming vendor in March 1999 to develop software to replace the database and reporting system for the Time Deposit and Linked Deposit system, an old system which was not Year 2000 (Y2K) compliant. The STO did not implement proper procedures to communicate program specifications or to monitor the development of the system to ensure the system would meet the needs of the STO. The STO began using the new system in parallel with its old system in August 2001 and indicated it was fully operational as of December 1, 2001. Approximately 32 months elapsed between signing the contract and full operation of the system and the STO expended significantly more on the project than the original estimate.

The STO did not document the specific project assignments, tasks, and completion milestones to be used in monitoring the vendor's progress and did not provide the vendor with clear, written guidelines for the development and implementation of the system. In addition, the STO did not document their monitoring of the vendor's progress until the vendor had been terminated and was providing pro-bono services. The prior STO information system (IS) director indicated she communicated the system specifications and monitored the vendor informally, mainly through various discussions with the vendor, until it became apparent that the vendor was clearly not developing a system to meet the STO's needs.

To ensure the old system was replaced prior to Y2K, the contract required the vendor to develop, test, and implement the system prior to October 1, 1999. However, the vendor failed to meet the deadline and the contract was terminated in February 2000 due to lack of a complete, useable system. The vendor continued to work on the project, uncompensated, through September 2000; however, the STO still felt the

system was not complete. The IS director maintained written progress monitoring reports only between March 2000 and September 2000. Since September 2000, STO staff have continued to periodically work on further development of the initial programming performed by the vendor to prepare the system for full implementation.

The terms of the contract between the STO and the vendor did not contain any performance controls such as minimum or maximum performance criteria or projected payment amounts and also did not specify any details of the system requirements. The terms of the contract package merely called for the software conversion to be made, that the work would be done on an as needed basis, and that the STO had the right to ensure that the work was completed to their satisfaction. As a result, the outcome of this project appeared to be highly dependent on the STO's ability to communicate system needs to the vendor and to monitor the ongoing project for satisfactory results.

The former IS director indicated that the project, as originally planned, was estimated to cost approximately \$60,000. However, due to the failure to implement the new system timely, significant additional costs have been incurred. These costs, as summarized in the table below, include payments to the contracted programming vendor in excess of the original estimate and salaries of STO staff who have modified the program after the vendor submitted the software product. In addition, the STO has had to continue paying additional consultants who were previously contracted to maintain the original Time Deposit and Linked Deposit system software and hardware. To keep the prior system functional and operating past January 1, 2000, the prior system has been modified to recognize date entries falling in the year 2000 and later as being in the year 1900 and later. The STO has indicated that the old software and hardware systems are antiquated and difficult to maintain.

Description	Amount
<u>New system development</u>	
Contracted programmer:	\$ 103,420
STO staff salaries at \$18 per hour (estimated by the STO at 950 hours):	17,100
<u>Original system maintenance</u>	
Consulting programmer fees:	
January 1, 2000 to December 31, 2001	113,131
Hardware maintenance consultant fees:	
January 1, 2000 to December 31, 2001	<u>19,847</u>
Total	253,498
Less: Original cost estimate	<u>(60,000)</u>
Additional costs incurred	\$ <u><u>193,498</u></u>

It appears a significant portion of these additional costs could have been avoided if the project had been properly monitored and a complete, useable computer system had been provided by the deadline agreed to in the contract.

- B. The STO purchased a bank reconciliation/deposit verification software package in April 2000 to automate portions of the reconciliation process for certain state bank accounts. Some STO employees attended a short training session offered by the vendor in August 2000, and began loading data into the system for the main deposit account and the "collection" accounts. Entry of several month's worth of data continued, as time permitted, until July 2001, when a reconciliation was attempted. According to STO employees, certain portions of the data entry had not been performed correctly and the reconciliation attempted at that point failed. Due to various system restrictions, all previous data had to be deleted and new data entry begun.

In August 2001, STO employees began re-entering May and June 2001 data for the collection accounts only. By early-November 2001, those two months had been successfully reconciled and more recent months' activity have been reconciled subsequent to that time. While collection accounts have been reconciled for several months, as of January 2002, 21 months after purchase, the STO has still not fully implemented the use of this software for other accounts as originally planned. The STO has expended approximately \$121,000 for software license fees, maintenance fees, and training costs related to this software package.

To ensure the most effective use of resources, the STO should clearly document all pertinent contract assignments, tasks, and completion milestones for system development contracts. The STO should document formal monitoring of the related performance of such contractors to ensure the product received meets the needs of the STO and will be delivered in a timely manner. In addition, the STO should implement and utilize developed and/or purchased computer software in a timely manner.

WE RECOMMEND the Office of State Treasurer clearly document contract assignments, tasks, and completion milestones and document formal monitoring of the progress of contractors to ensure the effective use of state resources and the timely delivery of a satisfactory product. In addition, the STO should implement and utilize computer software in a timely manner.

AUDITEE'S RESPONSE

The STO appreciates the State Auditor's Office (SAO) recommendation and has taken steps to implement new software in a more timely manner. In addition, the STO has moved the contract bid process of software and computer consultants in-house, as well as some of the programming functions that were once the responsibility of outside consultants. The STO has limited resources to

devote to immediate implementation of new software, as staff has regular daily duties that must be completed on a timely basis. Therefore, training, software implementation, and complete conversion to new software must be staggered to ensure accurate account reconciliations and other transactional procedures.

2. Management of Outstanding Checks
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The STO maintains the state's main operating bank accounts and tracks related outstanding paper checks. When paper checks have been outstanding for thirteen months, the checks are "outlawed" by the state, meaning the checks will no longer be honored by the bank. Any claims for those disbursements after that point are paid by reissuing a new check. The STO's procedures for outstanding checks do not include efforts to ensure long outstanding checks clear prior to their outlaw date.

The STO tracks a total of eight different series of checks, seven of which are used for payments of program benefits to recipients, income tax refunds to businesses and individuals, and state employee payroll disbursements. The eighth series (A-series checks) is used for payments to the state's vendors for normal costs of operating state government and program disbursements which are not covered by other check series. Our review of the management of outstanding and outlawed checks focused on the A-series checks since that series, other than the series used for personal income tax refunds, represented the largest group of checks being outlawed and the types of payments for which follow-up contacts would appear to be the most successful. During the year ended June 30, 2001, A-series checks totaling over \$2.1 million were outlawed.

During the audit period, there were no procedures in place to follow-up on long outstanding checks. The STO receives monthly reports from the bank listing outstanding checks, as well as checks to be outlawed during the next month. While these reports do not include payee information, that data can be obtained from the state's SAMII accounting system. However, none of this information is distributed to the state agencies that originally issued the checks. This information would allow the applicable agencies to identify payees that should be contacted regarding the status of the outstanding checks. We analyzed the A-series outstanding checks, totaling approximately \$138,000 which were outlawed in August and September, 2001 (originally written in July and August, 2000). Of that amount, approximately \$86,000 (62 percent) was for 520 checks written to businesses and approximately \$19,000 (13 percent) was for 32 checks written to other governmental entities, including a few checks to other state agencies. Most of these payees have permanent addresses and should be easily located for follow-up.

To determine a reasonable point at which to begin follow-up activities on outstanding checks, we reviewed the clearing patterns of checks issued between July 2000 and December 2000. A large portion of checks issued cleared within the first month. In addition, approximately 99 percent of the remaining outstanding checks cleared within four months after issuance. The incremental increase in the percentage of cleared checks slowed

dramatically after the fourth month. Based on this analysis, it appears that after A-series checks have been outstanding for approximately four months, it would be reasonable to begin follow-up action.

To improve the management of outstanding checks, the STO should distribute available information to applicable agencies within a reasonable time after issuance but prior to being outlawed. The state agencies should be prompted to determine why the checks are still outstanding and whether the payees can be induced to negotiate the payment prior to the checks' outlaw dates.

WE RECOMMEND the Office of State Treasurer distribute information on outstanding checks to applicable state agencies and request that follow-up action be taken. The state agencies should, at a minimum, be requested to contact locatable payees, such as active vendors and governmental entities, and encourage timely negotiation of the checks.

AUDITEE'S RESPONSE

While clearly not part of the State Treasurer's constitutional or statutory duties, the STO agrees that this recommendation improves efficiency in government. The STO has taken steps to make check clearance information electronically available to all state agencies. This information, as well as various new reporting options, will be incorporated into a new check inquiry system that will be available in fiscal year 2003. As part of our goal to unite owners with their property, we will continue to take the lead on this matter. We look forward to working with the SAO and other state agencies in improving the timely negotiation of state checks. In the last five years, the number of electronic disbursements has increased substantially. We will continue to encourage agencies to utilize the electronic payment process to further reduce the volume of outstanding checks.

This report is intended for the information of the management of the Office of State Treasurer and other applicable government officials. However, this report is a matter of public record and its distribution is not limited.

Follow-Up on Prior Audit Findings

OFFICE OF STATE TREASURER
FOLLOW-UP ON PRIOR AUDIT FINDINGS

In accordance with *Government Auditing Standards*, this section reports the auditor's follow-up on action taken by the Office of State Treasurer on findings in the Management Advisory Report (MAR) of our prior audit report issued for the year ended June 30, 2000.

Bank Reconciliation Procedures

The State Treasurer's Office (STO) did not prepare bank reconciliations for the Department of Social Services – Division of Family Services (DSS-DFS) accounts in a timely manner and did not research and correct reconciling items on a timely basis for the Electronic Receipt/Payment account and the DSS-DFS accounts.

Recommendation:

The STO ensure reconciliations of all bank accounts continue to be prepared on a timely basis, that reconciling items are researched at the time they are identified, and that any necessary corrections be made for reconciling items in a reasonable time frame.

Status:

Partially implemented. The STO has ensured that bank reconciliations are performed in a timely manner and has concentrated efforts to ensure that reconciling items, especially items from current periods, are researched.

At June 30, 2001, most of the reconciling items that remained on the Electronic Receipt/Payment account reconciliation were less than twelve months old. In addition, the STO appears to have researched the items and made contacts with various state agencies and the bank to request additional research and/or correction of the item by the state agency or the bank.

Approximately \$935,000 of the previous reconciling items, dating from December 1996 to June 2000, were removed from the Electronic Receipt/Payment account reconciliation by transferring the items to a different account's reconciliation because the STO believes that those transactions actually relate to the other account. However, the STO has not performed further research that has resulted in the identification and clearing of any of these items since they have been transferred. Due to the age of those items and the difficulty in obtaining supporting data at this point, the STO indicated they believe further research on those remaining items would be unproductive.

The DSS-DFS accounts' reconciling items between one and six months old have been significantly reduced and the STO has researched and cleared almost all of the older reconciling items.

Although not repeated, our recommendation remains as stated above.

STATISTICAL SECTION

History, Organization and Statistical Information

OFFICE OF STATE TREASURER HISTORY, ORGANIZATION, AND STATISTICAL INFORMATION

The Office of State Treasurer is an elective office as provided in the Missouri Constitution. The duties of the State Treasurer as defined by Article IV Section 15 are to be the custodian of all state funds; to determine the amount of state monies not needed for current operating expenses; and to invest such monies in interest bearing time deposits, in Missouri banking institutions selected by the State Treasurer and approved by the Governor and State Auditor, in short-term U. S. government securities, or in certain allowable commercial paper and banker's acceptances.

The Office of State Treasurer operates in four major functional areas: 1) accounting and banking services; 2) disbursements and records; 3) investments and deposit programs; and 4) unclaimed property.

The accounting and banking services area: 1) maintains a fund accounting system for the purpose of allocating investment interest to funds; 2) maintains ledger controls on fund balances and appropriations to assure that no check is issued that exceeds the lawful appropriated balances; 3) controls receipt of state monies collected by fee agents and state agencies and deposited in local banks throughout the state; 4) reconciles bank activity to receipt and disbursement activity reflected on the state books; 5) determines the amount of state monies not needed for current operating expenses, and 6) confirms daily disbursements with the bank as certified by the Office of Administration.

The disbursements and records area provides processing support to other departments of the State Treasurer's office, as follows: 1) provides storage and retrieval of state checks; and 2) controls and processes outlawed checks and processes and verifies claims for replacement checks.

The investments area places state monies not needed for current operating expenses in interest-bearing time deposits, U.S. government and agency securities, commercial paper, banker's acceptances, and repurchase agreements. This area also administers the State Treasurer's statutory linked deposit program and monitors and accounts for the collateralization of state funds.

The Unclaimed Property Division administers Missouri's Unclaimed Property Act (Chapter 447 RSMo). The Unclaimed Property Division is responsible for: 1) ensuring unclaimed property is reported; 2) receiving and recording reports of unclaimed property; 3) depositing unclaimed funds to the Abandoned Fund Account Fund; 4) maintaining custody and safekeeping of abandoned or unclaimed physical property; and 5) processing owner claims for abandoned funds or physical property.

Nancy Farmer became Missouri's 43rd State Treasurer when she took the oath of office January 8, 2001. She is the first woman to serve as State Treasurer in the state's 180-year history.

As of June 30, 2001, the office had fifty-three full-time positions to assist in the accomplishment of its mission. An organization chart follows.

OFFICE OF STATE TREASURER
ORGANIZATION CHART
JUNE 30, 2001

